

Weekly Compilation of
**Presidential
Documents**



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WEEKLY COMPILATION OF

PRESIDENTIAL DOCUMENTS

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Week Ending Friday, December 10, 1993

Remarks and a Question-and-Answer Session on Health Care in Bernalillo, New Mexico

December 3, 1993

The President. Thank you very much. He did a good job, didn't he? For a fellow that's not used to doing this, he did a great job.

Well, first of all, Doctor, I want to thank you and all your colleagues for welcoming me into the clinic today. I enjoyed the tour. I enjoyed listening to you talk about what you've done. And I have to tell you that I saw something in that clinic today that no law can ever compensate for or require, and that is a level of constant commitment to the people of this area. That must be a priceless treasure, just the idea that you've committed your life here. And I thank you for that.

I'd also like to thank Mayor Aguilar and Mrs. Aguilar for welcoming me here and—with their grandson back there. I enjoyed it, meeting them. And I appreciate the little—I'm about to fall in the hole here. This would make millions of people happy if I fell over—*[laughter]* I think I'm pretty well set now. They gave me a wonderful little proclamation declaring this day Bill Clinton Day in Bernalillo, which I am grateful for, and this wonderful piece of art. Thank you.

I brought a number of people out here with me. But I want to recognize some of them because they will have a major say in what we ultimately do as a nation on the health care issue. First, members of your congressional delegation: Senator Bingaman and his wife, Anne, who's in our administration in the Justice Department. Senator Domenici, thank you for coming, sir. My good friend Congressman Richardson, who fought so hard for NAFTA, and his wife, Barbara, thank you for being here. Congressman Steve Schiff and Congressman Joe Skeen are here. Thank you for coming. We have a lot of State officials, but I do want to introduce my good friend Governor Bruce King here

and his wife, Alice. Thank you, Bruce. Alice, are you there? Thank you, Alice. And your Lieutenant Governor, Casey Luna, flew back with me. Is he here in the audience somewhere? He wrote me a good letter endorsing our efforts in health care, which I really appreciated, as a Lieutenant Governor and as a small business person.

I want to talk just a few moments today about what we're trying to do with this health reform effort, how the plan that I have presented to Congress would, in my view, help things for this doctor and this clinic and all of you who are served here and, perhaps more importantly, how it would help to provide these kind of services to other people in New Mexico and throughout the United States.

Let me begin by saying that I think most of you know that before I became President, I was for 12 years the Governor of Arkansas, and there are thousands of people from my State now living in New Mexico. I see them every time I come out here. It is also a very rural State. I spent a lot of time as a boy in communities that make this place look like a thriving large metropolis, in little small towns in country crossroads. All my mother's people come from a place that now only has about 50 people in it. I spent a lot of time as Governor trying to keep open rural health clinics, keep open rural hospitals, develop clinic services or primary care or emergency services for people who live in isolated rural areas. So I have a certain familiarity with a lot of the kinds of problems that you have. I've also seen a lot of those problems get worse and some get better over the last 15 years. And Doctor, I think you've been here 17 years, is that right? So about the same timeframe of your service, I have been involved in public service dealing with health care in another way.

I came here today to listen, to learn, and to try to explain what we're trying to do. Let me just briefly summarize how this health

care plan would affect you and your families and your community.

First of all, it would provide for the first time in our history a system of universal coverage. Every family and every person in every family would have a comprehensive package of benefits which would include primary care, the kind of care you get here, and preventive care services that you would always have even if you changed jobs, even if you lost a job, even if someone in your family got sick so you had what the insurance companies now call a preexisting condition.

In addition to that, it would recognize that in rural areas there are 21 million Americans today who don't have access to primary care physicians or have inadequate access to primary care physicians. So that even if you gave an American family a health insurance card and there was no doctor to see, you would have coverage that would be meaningless. So this plan makes a real effort to increase people's access to health care in rural areas by doing two or three things: first of all, by guaranteeing funding to rural health clinics that are publicly funded; by increasing the funding stream to clinics like this one—rural doctors are the most likely to have to do uncompensated care—to make sure there will be some payment coming in for all the people who get care within any clinic; by taking steps to remedy the doctor shortage. You heard the doctor say that he didn't leave here in part because there was no national health corps facility or physician to come in behind him. Today, we're only providing funds for about 1,100 doctors a year in the National Health Service Corps. Under our plan, we go from 1,100 to 3,000 doctors a year by just after the turn of the decade and the century. So we would be, in other words, every year providing enough extra doctors to serve another couple of million patients in America at a reasonable ratio of doctors to patients. So that would make a huge difference in the quality of rural health care.

Now, there are a lot of things we do to try to get doctors to come to rural areas. But the National Health Service Corps is one, providing more scholarship funds; providing more access to partnerships with people in health care centers like the ones that you mentioned is another. The other thing I want

to emphasize is that a lot of people who have health insurance policies, in rural areas especially, tend to be underinsured. And one of the things that we've learned is: As Americans, we spend a huge amount of money on health care that we wouldn't spend if people had primary and preventive health care and if people had access to adequate medication. There are a lot of people who have all kinds of physical problems that could be adequately treated and their conditions could be maintained if they had adequate medication. A lot of people who have mental health problems that could be better managed and treated if they had access to a steady amount of appropriate medication.

So one of the good things about our health care plan is that under the bill we presented, in the comprehensive benefit coverage, all families, whether they get care from the Medicare or Medicaid programs or through private health care programs, would have access to prescription drugs. There would be a copay, you'd have to put some money up front in it, but everybody would have access to those drugs. We believe that will lower the incidence of hospitalization and, over the long run, really lower the cost of health care by helping people to stay healthy and to maintain their own health conditions.

How do we pay for this? The program would be paid for by a combination of sources. First of all we would require employers who don't cover their employees at all to cover their employees. And if their employees are not covered at all now, the employees would have to pay up to 20 percent of the premium themselves. The employer's contribution would be capped at 7.9 percent of payroll. But small businesses, which dominate rural areas, would be eligible for discounts on their guaranteed private insurance plan, which would dramatically lower in many cases the percent of payroll they would have to pay.

Is this fair? I think it is. In every other country with which we compete, everybody makes a contribution directly or indirectly to the health care system. Today, everybody gets health care, but often when it's emergency care, when it's too late, and then their costs are paid by somebody else. They're either shifted back to the taxpayers or shifted

onto other employers through higher insurance premiums. But by giving discounts to people who are smaller employers, we think that's a fair thing to do.

How will the discounts be paid for, and how will the extra services be paid for that the Government's going to provide? By lowering the rate at which we're seeing medical inflation explode Medicare and Medicaid programs. Today the Government programs are increasing at 3 times the rate of inflation. Under our system, which would put more people on Medicare and Medicaid in the larger competitive bidding blocks with self-employed people and small businesses and others, we think we can cut the rate of increase in these costs at least to twice the rate of inflation and take the difference that we've already budgeted to pay for some of these other programs.

There are no general taxes in this program. We do seek to raise the cigarette tax. And we ask the biggest companies, that can opt out of our system to provide their own health care plan—they will get a huge drop in their premiums as a result of our system—we ask them to make a modest contribution, trying to help pay for those that are uninsured and may need subsidies. That's how we pay for it. And we think it will work.

There will also be a lot more competition in the system than there is now. That will drive costs down. But we don't take that into account in figuring out what it costs. So we think the system will not cost even as much as we say it will, once you take account of the increased competition.

If you're a small business person or a self-employed person, the best thing about this program is that you'll be able to have access to a better health insurance policy at a lower price because for the first time, small business people and self-employed people will be able to have access to less costly premiums and will have the same sort of bargaining power in health care, particularly those who live in the bigger areas, that only big businesses and governments do today. Small business and individuals are at a terrible disadvantage today.

So that's how the system works briefly. There are a lot of other specific questions I'm sure you'll want to ask me. I'm here, and

I also brought a couple of my staff folks here who helped to work on putting this program together and especially spent a lot of time on rural health care. I personally spent one full day in the White House talking about rural health care to make sure that before we sent this plan up to Congress we would have a program that was very sensitive to the needs of rural health care, to the needs of Native Americans, to the needs of people that are underinsured as well as those that are uninsured.

So, we'll try to answer your questions, but now I'd like to hear from the folks you brought here, Doctor, and to thank you very much for that.

Dr. Alan Firestone. I've got a list of several people who were invited. And let me just go down the list very quickly——

The President. Is his turned off? His is not working, is it?

[At this point, Dr. Firestone read a list of members of the community, patients, and clinic employees who participated in the meeting. He then introduced participant Miranda Sapien.]

The President. Let me just say, if you can hear, these mikes aren't too strong, so you have to speak right into them so everybody can hear. Pretend you're singing to it. [Laughter]

Ms. Sapien. This is terrible that I had to start, but I'll try my best. We live in Bernalillo, about, oh, I guess, about a couple of miles——

[At this point, the noise of a passing train interrupted Ms. Sapien's remarks.]

The President. At least it's not in the middle of the night, right?

[Ms. Sapien discussed the difficulty and expense of caring for her elderly parents in her home and the need for affordable home health care and respite care for the elderly, especially in rural areas.]

The President. No, as a matter of fact, this is a big problem everywhere in America, and the fastest growing group of our population in America are people over 80 years of age. And in general, I think we want to encourage families to stay together. The way the system works today, if you spend yourself

into poverty you become eligible for Medicaid, and then you can go to a nursing home. There aren't very many Medicare certified nursing homes in the U.S. The older people are Medicare-eligible. So one of the things that our plan seeks to do, although I don't want to mislead anybody, we don't know how much it would cost. We can't know precisely how much it would cost if we started tomorrow covering everybody with this kind of long-term care. A lot of us believe that over the long run it would save money because more people would stay at home if there was some provision for in-home care and for respite care so that the families could have a break. But we do phase in long-term coverage over a period of several years as a part of this plan.

And one of the things that we're also trying to do is to encourage some of the State reform efforts that are going on now where many States are looking at whether they can set aside some of the money that is presently allocated to nursing home care to also cover in-home care. I applaud you for doing it. I think since we know that the percentage of people who are quite old is going to increase and more and more people will be quite alert and will be able to function at a fairly high level but there may be some care needed and more as time goes on, I think it's quite important that we keep this long-term care part of our program, even though it's going to take us several years to get it fully phased-in.

Lynn Mathes. Lynn was—I'll let her tell us. But I think—were you fully employed? And she was injured.

Turn it on, will you, whoever's got the mike. It worked great for her.

[Ms. Mathes explained she was injured while employed as a horse trainer and her former employer will no longer pay for her therapy. She hasn't received any help from insurance companies but has been able to pay for some of her expenses through her work as an artist.]

The President. Unfortunately, the story you just told is all too typical. The reason I laughed is the doctor has a work of art on his wall inside that another artist gave him as an in-kind payment. And I can remember

when my mother was a nurse anesthetist, I can remember when people, in the appropriate season, used to go pick fruit and pay her in return for her services. That works for a few people. I don't think it's a very good way to run a country.

Let me just say, the way our system would work if we reformed the insurance system is that that simply would not happen because everybody would be covered, there would be a clear package of benefits, there would be a single form, you would just turn it in. And your employer would never—I'm glad your employer tried to get it covered, at least. A lot of small employers are terrified of a serious thing like this because they know that their insurance is already so much more expensive than larger employers or than Government insurance, and they're afraid they'll be priced right out of the market. Under our system, everybody would be able to buy insurance on equal terms, and the coverage would be uniform and consistent. So you wouldn't ever be putting an employer in a bind just because it was a small employer. Or if you were a self-employed artist and that was your only job, you'd have access to a really affordable policy.

But you have to understand, this is the only country in the world with 1,500 separate health insurance companies writing thousands and thousands of different policies. And if they delay paying on you, then that in effect gives them time to earn interest on that money. So eventually, even if they pay, they've made a good deal out of it if they can delay payment for 2 or 3 or 4 or 5 or 6 months. But it may impair your ability to get certain care. This happens everywhere.

You just heard what the doctor said. At the time when his caseload is doubled here—patientload—they have increased the number of people who devoted themselves to paperwork by sixfold. That's because this is the only country in the world that has literally 1,500 different companies writing thousands and thousands of different policies, where the doctors in the clinics have to hire people, trying to get payment when they're entitled anyway, and where the coverages are so complicated and different, when you put that with all the rules and regulations that the Government has, that you spend enormous

amounts of time just trying to work out the transaction who's going to pay when. One of the primary benefits—perhaps the best benefit to doctors and clinics—of our plan is that we'd actually be able to have a single form for insurers, a single form for clinics, a single form for patients. And it would cut out a lot of this incredible paperwork and administrative cost.

We spend about 10 cents on the dollar—let me tell you how much money that is. We're going to spend \$900 billion on health care this year. So 10 cents on the dollar is \$90 billion dollars a year. That's a lot of money. That's 1½ percent of our gross domestic product. We spend about that much more on administrative costs than any other country in the world spends on their health care system. That's how bad it is. And you get caught in it, in the delay.

[Dr. Firestone mentioned that a former patient who owns a small business is very concerned about the cost of providing health insurance and workers' compensation for her employees.]

The President. The health care cost of workers' comp would be folded into the health care plan, which would save a lot of small business people a ton of money. Slightly more than half of the workers' comp premium is health care costs, that would be folded in. And that's a huge concern to small business people and also to people in certain targeted industries, like in my home State, the loggers and the people in the wood products industry. They have huge workers' comp bills. So that would really help.

Again, I would have to know exactly how many employees the lady has and what the average income is of the employees, but they would be eligible for a discount rate. I can just tell from what you said to me, she would not pay the 7.9 percent. She would pay some lesser percentage of the payroll. But having been on the other side of it, she can understand what it's like if there is none.

Let me say, there are a lot of part-time workers in our country today and probably will be more. Under the way the bill has been presented to Congress, if you work 30 hours a week or more, you would be insured as a full-time worker and your employer would

have to pay the full cost of the premium and you would have to pay your 20 percent match. If you're under that, down to 10 hours a week, the employer could pay a proportionate amount of that, a smaller percentage, and therefore your premium would be less. And if you outran that in using the health care system because you're a part-time worker, and that would be eligible for the public subsidy. So we try not to bankrupt people who have part-time employees or discourage people from hiring part-time employees. But we think they ought to pay at least a portion of their benefits.

Dr. Firestone. The next one we'd like to hear from is Jack Vick, who, again, is the future of rural health.

[Dr. Vick explained the difficulties of providing quality health care in rural areas. He stated that he will continue to practice in rural New Mexico but feels that many doctors choose to leave and go to urban areas where salaries are higher and the work is less demanding.]

The President. I'm just glad you're going back.

Let me just mention a couple of things you mentioned, because there are answers to some of them, and there aren't answers to some of them—at least if there are answers to some of them, I don't know what they are. But one of the best things, I think, from the point of view of the benefits package that we tried to do in this plan is to provide more coverage for primary and preventive services, pap smears, mammograms, cholesterol tests, important things that are early warning signals that may head off far more severe health care problems and actually save the system money.

Secondly, I think part of the answer to the problems of doctor exhaustion and overcommitment, simply increasing the number of doctors in rural areas and trying to tie them more into partnerships with urban medical centers and with university health centers. Without going into all the details, I think we've got some good systems to do that.

We also are working on one aspect of malpractice reform that will encourage more family practitioners to do things like deliver

babies or set simple fractures where they are in rural areas. Based on an experiment that started in the State of Maine, where basically if you're a family practice doctor and you do these procedures out where people live, because you need to do it there, and you can prove that you've followed a set of guidelines approved not by the Government but by your national professional group, that raises a presumption that you were not negligent and sort of gets you out of this whole malpractice bind.

Now, what I don't have an answer for, and I don't think there is one right now, is what you do with the problem pregnancy. I think if you think you've got a problem case, you still have to send it—whatever discomfort there is—to a place where you think the care will be appropriate. If there's an answer to that one, I don't know what it is. But I do think that we want more family doctors, and we want more family doctors out there in the rural areas doing things they know they can do but they're still afraid not to do because of the malpractice problem. And being able to prove that there's a set of nationally accepted guidelines for this kind of procedure in a rural area and that you've followed them, it seems to me will do a lot to alleviate both the cost of the malpractice insurance and the fear of the lawsuit.

[Dr. Vick asked the President about coverage for mental illness.]

The President. Well, we think the basic benefits package should include mental health benefits, pretty comprehensive mental health benefits, as well as medication for treatment of mental illness. I know this is a particular interest of Senator Domenici and a number of other Members of the Congress. But let me say this has been a big fight in our administration, essentially with the book-keeping of health care. That is, we can't ask the Congress to pass, and the Congress cannot pass, any bill that they don't think they have a pretty good feel for how much it will cost and how it will be paid for.

So, we have been through a lot of very tough sessions with the actuaries for health care, people who are supposed to be experts in health care costs, to figure out how much the mental health benefit will cost and how

we have to phase it in over time. Right now we phase in mental health benefits, comprehensive mental health benefits, between now and the year 2000, although other health care costs would be covered by the beginning of 1997, the end of 1996, in all the States.

So, I'm glad you said that. I'm glad you said it here in this rural setting because, again, as you know much better than I, there are a lot of mental health problems that can be treated, that can be managed, that can allow people to be productive members of society, and that can therefore be a very cost-effective thing to do, as well as the humane thing to do. And we have to get these benefits in.

Again, I believe that our actuaries have overestimated the cost and underestimated the benefits of including comprehensive mental health benefits. But nonetheless, we can't—again, I don't want to mislead the American people. I don't want to overpromise. And I don't want to pass a bill that breaks the bank. So right now we provide for the phasing-in of the mental health benefits, with the benefits to trigger in about the year 2000 to do what you say we should do.

Dr. Firestone. Mr. President, Cel Gachupin has a story to tell about difficulties with provision of emergency services in rural areas. And I think I'll just pass him my microphone rather than lug the other one all the way around.

[Mr. Gachupin explained that it is often difficult for Native Americans to receive quality health care due to lack of funding and problems in the current Indian Health Service system. He then shared the tragic story of his son's death from asthma.]

The President. Thank you for sharing it, and thank you for having the courage to share it. I don't know if I can give you an answer to the policy questions you raised. Thank you very much for what you said.

The first thing you said was you often had to drive your son past hospitals to get to the Indian Health Service. Under our plan, if it passes the way we have presented it, American Indians will be able to get health care either through the Indian Health Service or through another network of health care at

their own choice. So that if people, because of where they happen to live, have much better access to some other health care provider, they will be, at their own choice, they will be able to choose to use those facilities. But we feel that the United States has a solemn obligation to maintain the Indian Health Service. And as you probably know, the funding has dropped over years as the number of people using it has dropped. So one of the things that—after the leaders of tribes from all over America came to see us in Washington about this.

One of the things we did was to go back and amend the plan to try to strengthen the financial support for the health care service so they would be able to provide particularly the kind of services to people who are outpatients like your son was. So I think in this case, we will give the American Indians more personal choice than many now have. You won't be forced to the health care service. You'll have the option of using something else. But if you do use it, it should be better funded than it now is.

[At this point, Dr. Firestone expressed his concern that benefits for children with multiple disabilities and chronic illnesses might be reduced and presented the President with a letter regarding their needs. He then thanked the President for visiting the clinic.]

The President. I can't answer the question you just asked me. But I'll get an answer, and I'll get back to this lady who wrote you the letter—or to me—the letter. I'll do it.

Let me just say before we close, and then I want to say hello to all of you and then go back around and see the kids who have been waiting so patiently, if they're still there. I don't know if they are. I hear some people chanting in the background.

When the new year comes and the Congress comes back into session, there will be a few months of really intense debate on this. Just think about this town and the size of this town and the diversity of the things we've heard about already today, as well as all the things we haven't heard about. This is a very complicated matter. But in the end it comes down to something very simple. We are spending a much bigger percentage of our income on health care than any other country

in the world, and yet we are the only major country who doesn't provide everybody health care coverage that is always there, that can never be taken away.

And we have permitted a system to develop so that now, coming out of medical school, only about one in seven doctors are committed to do what this doctor has done and this doctor wishes to do. So we have to change that. And it is perfectly clear that it will not happen unless the Congress is prepared to go through the incredibly rigorous process of reviewing the bill that I presented, listening to anybody else's alternatives and hearing the human voices that we have heard today, and coming to grips with this problem and actually acting on it.

This is something we should have done a generation ago when we could have saved untold billions of dollars and no telling how many lives. But we can do it now, and we have to do it. And I would just implore you to work with us, make sure we don't make any mistakes we can possibly avoid, but give the Members of Congress from your State the courage to face this problem that our Nation has neglected for too long.

Thank you very much.

NOTE: The President spoke at 4:04 p.m. at the El Pueblo Health Services Clinic. In his remarks, he referred to clinic physician Dr. Alan Firestone. This item was not received in time for publication in the appropriate issue.

Appointment for Regional Administrators at the Environmental Protection Agency

December 3, 1993

The President today approved John H. Hankinson, Jr., as Regional Administrator, Region IV, and Jane N. Saginaw as Regional Administrator, Region VI, at the Environmental Protection Agency.

"I am pleased today to name these two hard-working individuals to our team at EPA," the President said.

NOTE: Biographies of the appointees were made available by the Office of the Press Secretary. This

item was not received in time for publication in the appropriate issue.

Nomination for Administrator of the National Highway Traffic Safety Administration

December 3, 1993

The President today announced his intention to nominate Ricardo Martinez, M.D., to be Administrator of the National Highway Traffic Safety Administration with the U.S. Department of Transportation.

"Ricardo Martinez has dedicated his career to improving trauma care and curtailing car accident deaths," the President said. "As a firsthand witness to the tragedy accidents can inflict on individuals, families, and communities, he will work hard to ensure the National Highway Traffic Safety Administration uses all of its resources to make our roads safer."

NOTE: A biography of the nominee was made available by the Office of the Press Secretary. This item was not received in time for publication in the appropriate issue.

Remarks at the "Celebration '94" Reception in Albuquerque, New Mexico

December 3, 1993

The President. You know, when Bruce said to Alice, "Just give the President whatever it is you have," I said, "Heck, Bruce, I want the ranch." [Laughter] I like the Stetson, but I mean, if I really get a choice—[Laughter]

Ladies and gentlemen, I am glad to be here. Glad to be back in New Mexico. How many of you were here—I just got off the phone with Hillary. She was working in New Hampshire yesterday, so she's home tonight. I just got off the phone with her. How many of you were here when we were here the night of the election—all night—remember that? The press has a way of finding out everything about you if you become President. President Reagan loved jelly beans, and President Bush didn't like broccoli and last week the Wall Street Journal reported our

dark secret that Hillary and I are addicted to salsa. [Laughter] And it all happened because of you, because we stayed up all night living on that before the election.

I am so glad to be back in New Mexico. I'm glad to be here with Ray Powell and with you, Mr. Speaker. Thank you for being such a good emcee. I want to thank my longtime friend Bruce King. I don't know if you remember what he said. There are only three living Americans who served as Governors in the seventies, the eighties, and the nineties: Cecil Andrus of Idaho, Bruce King, and me. It was the longest time before any of us could get a promotion. We had a lottery, and in the beginning we thought I won, but sometimes in the last year I wasn't sure I didn't lose. [Laughter] I love Bruce King. The first time I ever met Bruce and Alice and Bruce laid all that, you know, that "Aw, shucks," stuff on me—[laughter]—"Aw, shucks," you know, I checked three times to make sure I still had my billfold in my pocket. Aw, shucks. [Laughter] I appreciate the fact that Bruce is missing the start of the annual Lobo Classic Basketball Tournament tonight. I know what a sacrifice it is. He did it for the money, not me. [Laughter] But I'm glad he's here anyway. You can tell we're friends; you can't make fun of your enemies. [Laughter]

I want to say, too, how glad I am to be here with Bill and Barbara Richardson. Bill Richardson was the national cochair of the Adelante Con Clinton movement. Thank you for bringing your posters; there's two there. But he never did anything more important for America than in his leadership in the fight for the passage of NAFTA. I can tell you, on September 14th, the day after we had the signing of the peace agreement between Israel and the PLO, we formally kicked off the NAFTA fight after all the side agreements on labor and the environment were done. And we had the endorsement of all the living former Presidents. We had four Presidents and former Presidents there, President Ford, President Carter, President Bush, and myself. We were 100 votes behind. We were maybe that close—[laughter]—100 in the

House of Representatives. And Bill Richardson soldiered on when others were saying, "Well, they ought to give up." And some of my friends who were on the other side of the issue even suggested maybe we ought not have a vote because they didn't want us embarrassed. And Richardson and I were too dumb to know we were beat—[laughter]—so we just kept on going. It worked out all right, and the Nation is in his debt. And New Mexico will benefit enormously because of the astonishing national leadership he provided on that issue.

I gave—what did you say?

Audience members. [Inaudible]

The President. I need a vitamin pill tonight. [Laughter] I also want to say that Jeff Bingaman likes me because I brought Anne here tonight. I gave her the day off at the Justice Department. Sometimes being President is just like being a school principal, you give people an excused absence. [Laughter]

And I want to say Bill mentioned the technology reinvestment projects, but I want to, if I might, just take a minute to talk about Jeff Bingaman and what he did, not only for New Mexico but for the country there. In 1992, when I was running for President, the United States Congress under the leadership of Senator Bingaman provided for the expenditure of a few hundred million dollars to help America make the conversion, the painful conversion from a high-tech, defense-based economy to a high-tech commercial economy. And there were a number of things in the bill that they passed. And as a candidate for President, I strongly supported the bill. And it passed before I could be elected President. And guess what? And I thought, well, here I am cutting off my nose to spite my face. I'm out there asking Congress to pass this bill, which will put a few hundred million dollars into the hands of the President I was running against to put the American people back to work in the way I've been saying we should do for the last 5 years. And guess what? They wouldn't spend any money because they didn't believe in it.

And so when I became President, we went to work on trying to give life to Jeff Bingaman's idea that a little bit of public money in the context of the hundreds of billions of dollars we've been spending on defense

should be offered to the private sector in matching funds for people who would come up with ideas that could be used to take defense technologies and turn it into domestic jobs and American high-tech opportunities for the 21st century. So earlier this year, we released the first round of grants, and in the whole year we wound up with over \$400 million worth of funds. Congress was so astonished by the success of the program that they have come back and voted to spend even more money on it in the year we're now involved in, in fiscal year '94.

Now, I want you to understand how important this is. In the first round of applications, when we put up \$400 million, we had almost 3,000 projects submitted for funding that, with public and private money together, would require \$8.5 billion. That's how hungry American entrepreneurs, universities, laboratories, and big companies are to be part of this defense conversion effort, to find ways to create the jobs of the 21st century out of all the work we've put into defense research over the last 40 years. It is a very important thing. And none of this would have happened if Jeff Bingaman of New Mexico hadn't been the catalyzing influence, the energy behind this idea.

I also want to say it is true that in the first three rounds of grants that we're now completing today, New Mexico got a total, I think, of nine big projects. And on a per capita basis, you almost certainly led the country in grants. But you did it on the merits—not just the labs but the universities.

So I'm honored to be here tonight with all these friends of mine on this stage and all of you out there to thank you for voting for Bill Clinton and Al Gore in 1992, to thank you for providing leadership like Bill Richardson and Jeff Bingaman and Bruce King, to ask you to keep them in and keep them strong, and to ask you to keep supporting the direction our country is taking.

When I became President, we had had the 4 worst years of job creation since the Great Depression. We had had 12 years in which our national debt had quadrupled, while our investment in our people had gone down. We had had 20 years of the global economy requiring American middle class people to work longer hours every week for the same

or lower wages. We had out-of-control health care costs with 100,000 Americans a month losing their health coverage. So we were paying more for less. And almost everybody in this country thought things were going in the wrong direction. I said until I was blue in the face, even to those who were most enthusiastic about our campaign, that we couldn't expect immediate overnight results, but we could turn the country around. And what I want you to know, my friends, is after the first year, we have turned the country around. We are moving in the right direction.

The economic plan which the Congress adopted reduced the deficit, had over 356 separate—over 350, 356 to be exact—separate spending cuts. Now, that's not Government language for "We're cutting the rate of increase in the previous budget." There's 356 accounts that have less money this year to spend than they did last year; increased investments in things like defense conversion and new technologies and worker training and Head Start, things that build our country over the long run; raised taxes on fewer than 2 percent of the American people earning the largest amounts of money whose taxes had been lowered while their incomes went up in the eighties; gave an enormous, an enormous boost to the ideas of family and work by providing tax cuts to over 15 million working families whose incomes were \$23,000 a year or less, because we wanted to say to people, "We know you've got kids in your home; we know you're working hard for modest incomes. We want the tax system to lift you out of poverty, not drive you into it. We want you to be successful as parents and successful as workers." That will affect over 40 million Americans who are either the workers, the spouses, or the children of the families who will get tax relief under this economic plan in April.

And what are the results? What are the results? Historically low interest rates; very low inflation; increased investment; a 14-year high in housing sales last month; a 10-year drop in unemployment this month, that is, it dropped more from month to month than in any time in 10 years; almost 50 percent more private sector jobs created in the first 11 months of this year than in the previous 4 years. Has it affected most Americans yet?

No. Are we moving in the right direction? You bet we are. We have to keep going until we do see the benefits go to every American family. But we are moving in the right direction.

This Congress not only passed the motor voter bill, which Bill Richardson mentioned, it also passed the Family and Medical Leave Act, which gives people the right to take a little time off without losing their jobs when there's a baby born or a sick parent. This Congress passed the national service bill, which 3 years from now will give 100,000 young Americans the chance to earn some money against further education after high school by working in community service projects to rebuild the fabric of our country from the grassroots up. This Congress passed the Brady bill, which will require a waiting period for handguns. And both Houses of Congress have passed campaign finance reform—they just have to reconcile the two bills—and a crime bill which will enable us to put another 100,000 police officers on the streets, have boot camps for first-time youthful offenders, and do other things to make the American people safer in their homes and their schools and on their streets and in their neighborhoods.

Bill Richardson was generous in what he said, that no one knows that this was the most successful legislative session in history, since we've only been keeping score like this for 40 years. But it's not bad since they've been keeping score.

I say to you, this is a good beginning. But it is just the beginning. NAFTA was important, but we need to keep going until we've got all of Latin America committed to democracy, free-market economics, and an economic partnership with the United States. That's good, but we also need a new global trading agreement. I spent a good deal of time today working trying to get the nations of the world to conclude this so-called GATT agreement by December 15, our deadline, because it is estimated that that will add over one million jobs to the American economy within the next decade if we can successfully conclude it.

Why is this important? Why was it important enough for people like Jeff Bingaman and Bruce King and Bill Richardson and Bill

Clinton even to argue with some of our friends over? It is this simple, it is this simple: We can't keep any of our businesses in America today unless we become more productive. But being more productive means the same person can produce more goods or more services; maybe even fewer people can produce more goods and more services. Well, if there's no more demand for the goods and services and fewer people produce them, what happens? Unemployment goes up, and you don't have to raise wages because there are all these people who are out there unemployed who are more than happy to work for less. So if you want productivity—which you have to have to compete with other countries—to lead to higher wages and more jobs, you must have more customers for American products and American services. That's what these trade agreements are all about.

We have got to expand the rate of growth in the world to find more customers for what we do well. And that will enable us not only to have more jobs but to change the job mix to get the higher wage jobs in there, to raise people's incomes for the first time in 20 years. It's going to be hard to turn this around. But for 20 years most Americans have been working harder for less. We have got to try to do better than that. And the only way to do it is to provide more customers.

The second thing we have to recognize is that a lot of our people are still not able to compete in that global economy, which means we have to have a better system for training our young high schoolers who don't go on to college, a better system for giving our working people lifetime education and training opportunities, a better system for recognizing that the unemployment now is not like it used to be where people would go on unemployment and then a couple of weeks later they would get called back to their old company. Most people who are unemployed now have to find a new job with a new employer. That means that this coming year we're going to have to totally revise the entire unemployment system and make it a reemployment system, immediately give people education and training and job placement. I challenge all the people who sup-

ported us in NAFTA, who wanted America to have more customers, to make sure Americans can take advantage of that instead of be punished by it, by retraining the American work force for the 21st century. That is our great challenge.

That's why the welfare reform program that we're going to deal with next year is so important. You have a lot of people out there who had children when they were children, who have never been in the work force, who have no education. They cannot command a living wage in a global economy. We owe it to ourselves, as well as to them, to set up a system where we favor work over idleness but where we give people a chance to succeed in a highly competitive economy. We are all going to have to face the fact that we have new challenges. If we want our people to succeed as workers, we have to let them succeed as parents too, because most working people have children, and most people with children have to work. That means family leave is important, that means a tax system that doesn't punish low-wage workers is important, and that means that it is important to have welfare reform and lifetime training.

The last thing I want to say is I came here, before I was here tonight, to go out to a wonderful little community near here to talk about health care. If we don't control health care costs and provide health care security to all of our people, we will not have the underpinning of social security we need to have the courage to make the changes that the global economy imposes on us.

Next year we are going to do health care, welfare reform, and revise the education and training program. Then they'll say, "Well, that's a better year than they had last year." And it will be for America. We can do it together.

Thank you, and God bless you all.

NOTE: The President spoke at 8:35 p.m. at the Albuquerque Convention Center. In his remarks, he referred to Gov. Bruce King of New Mexico and his wife, Alice; Ray Powell, State chairman, Democratic Party of New Mexico; Representative Bill Richardson and his wife, Barbara; and Senator Jeff Bingaman and his wife, Anne. This item was not received in time for publication in the appropriate issue.

The President's Radio Address*December 4, 1993*

Good morning. Today I'm in Los Angeles to hold a meeting on the economy and its impact on southern California. A year ago this month, I hosted a national economic summit to get the best ideas from all across America on how to implement the economic strategy I ran for President to implement, a strategy to regain control of our economic destiny; to put confidence back into our people; to strengthen our families; a strategy to rebuild the American dream by restoring middle class values of opportunity, responsibility, and community, rewarding work and family and faith.

For too long the Government in Washington ignored roadblocks that stood in the way of an economic recovery: our investment deficit that hurts workers caught in changing times and communities plagued by crime, a budget deficit that drains money from our economy, a trade deficit that keeps us from selling our products and services around the world. All these roadblocks have kept America from moving and have hurt California especially, because California had so many high-tech employees in the defense industry, which as all of us know has been cut back a lot since 1987 and the end of the cold war in 1989. And now California, like the rest of America, is paying the price but even more so, not only because it's our biggest State but because one in five jobs lost permanently in our economy in the last few years has been lost in the southern part of this State.

But during the time I've been President, we've tried to take these roadblocks head-on for all America. Let me say how. First, the strength of our economy and the security of our jobs is now tied to our ability to sell our products abroad. More and more Americans are becoming more productive. That means fewer people can produce more goods and services. That's a good thing to compete in the global economy, but only if we have more customers to buy those goods and services. That's the only way we can grow our economy, increase jobs, and increase incomes of working people.

That's why we just passed the North American Free Trade Agreement. With NAFTA

we'll sell more products stamped "Made in the USA." We're also working hard on a world trade agreement between now and December 15th in the GATT talks. And we've established better trade relations with Japan specifically and with the Asian countries in general.

California is our strategic link to the economies in Latin America and to the Pacific rim. This State exports more than any other State. One in every 10 jobs out here is now tied to exports. We've launched our country's first national export strategy. It will benefit all the States in America. We've cut back Government export controls on \$37 billion worth of high-tech communications products. It's good for trade. It's good for workers in high-tech industries in places like California, New York, and many States in between.

Just yesterday we announced the third round of grants in our technology reinvestment project. This plan helps defense firms to make the transition to a commercial economy. It takes military technologies developed with American tax dollars during the cold war and puts them to use in the civilian economy. It will create thousands and thousands of jobs in the years ahead all across our Nation. It's just part of a national defense conversion plan that totals \$20 billion in new investment over 5 years.

We've taken other steps to strengthen the value of work, our families, and the communities we live in. For all of you who work and raise children and still live near the poverty line, we've expanded your earned-income tax credit. About 20 million of you will pay lower income taxes next April 15th. For American families, this is a signal that we value work over welfare. We've also passed the family and medical leave law so that people can care for a sick parent or a new baby without fear of losing their jobs. We've redesigned dramatically the student loan program, lowering interest rates and making it easier for more of you to get student loans and to pay them back on better terms. And we've also made it much simpler and easier for people to get small business loans.

Our economic plan has brought the deficit down. Interest rates are down. Inflation is down, and people are beginning to benefit.

People are beginning to buy their first homes, and over 5 million Americans have refinanced their home mortgages. Single family housing starts are at their highest level in 6 years, and existing home sales are at a 14-year high.

Maybe you've borrowed money to expand your business. Economic indicators from durable goods to business spending on equipment to auto sales show manufacturing and consumer confidence picking up. Personal income is up. And more jobs have been created in the first 11 months in this administration than in the entire 4 years of the previous administration in the private sector, about 50 percent more now.

Now, all that is encouraging news. But frankly, it hasn't reached everyone yet. It hasn't reached into every family with economic benefits. And way too many people still lack good jobs. As I said earlier, of all the jobs lost nationally since 1990, one in five are right here in southern California.

This afternoon I'm going to Canoga Park in the western part of the San Fernando Valley for a meeting on the economy with business and community leaders. We'll meet face to face in an informal setting to go over their ideas, to see what's working, and to identify what we could all be doing to create more jobs and more opportunity.

But our goal in California is the same as our goal nationwide: to build an economic recovery that will carry us through the changes in our economy and put us on the road to lasting economic growth in a global climate that is very tough and highly competitive. For our Nation to stay strong, every American must have a chance to compete and win. We've still got a lot of work ahead of us, but we're working hard. And all of you will have to work hard, too.

None of what we do in our economic session today will matter if people aren't ready to seize opportunities, take responsibility to rebuild their communities. This simply cannot be done by Government alone, certainly not just at the national level. Leaders can't protect the economic interest of our middle class if our people aren't living and working by middle class values, rebuilding our communities from the ground up, home by home, street by street, and block by block.

I need all of you to help me so that we can do this together.

In times of change, we've always sought the new opportunities, the new opportunities for ourselves, our families, and our neighbors. That expansive, forward-looking spirit is what brought people out here to California in the first place, across wagon trails and over highways on the open road. Well, times have changed; they always do. But we're trying to put America on the right road to reach a better tomorrow. Unemployment is down, and jobs are up. We're moving in the right direction. But there is so much more to do. To move forward we have to go down the road together.

Thanks for listening.

NOTE: The President spoke at 10:06 a.m. from the Beverly Hills Hotel in Los Angeles, CA.

Remarks in a Roundtable Discussion on the California Economy in Canoga Park, California

December 4, 1993

Thank you very much, Mayor, and thank you, Secretary Brown. I want to say a few words and then introduce your State's two Senators, after which we will begin the program. First, let me thank all of you who are here today, those of you around the table and those of you who are out in the audience.

I wanted to do this in California, this meeting, as a necessary followup to what many of us have been doing here in the last year and also because I thought it would be useful to do this in light of the economic conference we had in Little Rock one year ago this month, that some of you here in this room attended. I held that conference in an attempt to get the best ideas I could from all kinds of people all over the country about how to implement the economic strategy that I had run for President to put into effect. I wanted to get our country moving again. I wanted to try to restore jobs and incomes, to make us more competitive as we move toward the 21st century, and to give people who were outside the mainstream of economic life a chance to get in it.

As Secretary Brown has said, we have been convinced all along, just looking at the numbers, that we couldn't restore the American economy without restoring the California economy. Most of this year, the unemployment rate here has been roughly 3 percent above the national average and has been aggravated into two areas which are causing us the most trouble nationwide, that is, the huge numbers of poor people in inner cities who can't get jobs at all and the very large number of middle class workers who have lost jobs who can't get new jobs or can't get jobs as good as the ones that they lost. Those two problems together are bearing down on the Nation and are certainly a big problem here.

We've learned some things in the last year. We've learned that there is no silver bullet, that the problems are complex and require a broad-base approach. We've learned that you can make real progress, especially if you're willing to be disciplined and pay the price of time. We've learned that national action is not sufficient, that there has to be a partnership that is public and private and that is State and local and sometimes community based as well as a national effort. And we've learned that you can't really leave any stone unturned. I want to refer in a minute to a point the mayor made.

I'd like to briefly summarize what's happened in the last year that's affected California in terms of our national policies and some California-specific efforts. First of all, the deficit reduction part of our economic plan that went into effect on October 1st actually has real reductions in spending in 356 separate accounts in the Federal budget. That's not lesser increases, that's actual reductions this year over what we spent last year.

We did raise income taxes on something less than 2 percent of the American people, but we also lowered taxes for 90 percent of the small businesses in the country, passed the venture capital gains tax that the venture capitalists heavily concentrated in California have been asking for for years, passed some passive-loss rules that the real estate folks in California have been pleading for for years, expanded the research and development tax credit which is very important to this State.

Over the last 10½ months, you see a remarkable thing in a world economy that's in

recession. In America, interest rates have stayed down at historic levels; inflation has been at historically low levels; investment is up; personal income is up; more private sector jobs, almost 50 percent more private sector jobs now in the first 10½ months of this year than in the previous 4 years; over 5 million Americans have refinanced their homes. And we see the beginning of a national economic recovery that is quite impressive. So that part of the economic strategy—keep inflation down, keep interest rates down, get investment up—is working.

The second part of our strategy was to have more sales, more markets, and more products. We sought more sales through removing controls on exports that had previously been controlled during the cold war, \$37 billion in computers and telecommunications equipment alone. About one-third of that market comes out of the State of California. So in the years ahead that will create tens of thousands of new jobs in this State, just by a national economic policy that was clearly in the interests of our country. Now, the Secretary has already mentioned the national export strategy.

With regard to markets, we pursued NAFTA; we pursued a new relationship with Japan; we have reached out to the other countries in Asia. We are doing our best in the remaining 11 days to reach a world trade agreement with GATT. I don't know if we're going to get there, but it won't be for lack of effort.

I want to say since we are in southern California, I want to say that I think that Mickey Kantor has done an absolutely brilliant job as our Trade Ambassador, fighting for the economic interests of this country and still trying to promote an expanded system of global trade. If we get a good agreement, the manufacturing opportunities there and the opportunities for the audiovisual folks that are heavily concentrated in both California and New York, our first and second largest States with the second and third highest unemployment rates in the country, are absolutely astounding. So we're working very, very hard on that.

With regard to more products, we've got an unprecedented partnership with the Big Three auto makers to produce a clean car,

a whole strategy with environmental products in general, and the technology reinvestment project, which all of you know about and which California has done very well in, indeed, getting about 15 percent of the grants but 30 percent of the money that's come out of our effort to work in partnership with the private sector to take defense technologies to create jobs for the commercial economy at home and abroad.

The next part of our strategy has been to invest more in people and communities. The Mayor mentioned our family preservation strategy. There have been many other things. We changed the education formulas in ways that have benefited California. We have provided hundreds of millions of dollars of more money to help deal with the burden of immigration here in health care and in education. We have supported the Community Development Bank, the empowerment zones, and increasing infrastructure in the Red Line extension here. These things are all very necessary. And I want to come back to that in a minute as I sort of leave you with the questions that I have.

The last point I want to make in terms of looking toward the future is that we've got to do something about crime and violence if we want the whole California economy to recover. Look at the cover of *Business Week* here: "Rampant crime is costing America \$425 billion a year. What can be done?" Plenty. Now, if you assume this number is right, let me just give you some feel for what \$425 billion a year is. Our annual deficit is \$255 billion this year. It was about \$50 billion less than it was supposed to be when we took office; \$425 billion is considerably more than that. If we had \$425 billion to invest in this country, we could lower the unemployment rate by 3 percent in California within a year, just if we had it to invest in the whole country. This is a very serious thing. It says, "What can be done?" Plenty. And *Business Week* sort of advocated the administration's and the mayor's crime prevention, crime reduction strategy. More police reduces crime; it doesn't just help you catch criminals. If you deploy police in community settings, it reduces crime. It reduces the incidence of crime.

Focus on punishment. Do the right things by the juveniles, have boot camps, have alternative systems that give people hope that haven't done things so serious that you have to lock them up for long periods of time. Do more on drug treatment and drug rehabilitation and drug testing. Do more on job training and reinvestment and neighborhood safety. And do more to get the huge volume of guns out of the hands of teenagers and others who should not have them. That's what this says. And it's a money issue that is directly affecting the capacity of southern California to recover economically—don't ever think it's not for a minute—and every other urban area in this country.

So, having said that, we will have more investments as we can. Let me just leave you with the problems from my perspective at the national level, if I might. Number one, we've got to be willing to pay the price of time. Middle class wages have been stagnant or declining for 20 years under the pressure of the global economy. We have huge increases in productivity now in the manufacturing and in the service sector. That's the good news. But what that means is fewer people can produce more things. So we've got to have a lot more customers. We've got to have a lot more customers around the world. That's why trade's so important.

We've had social decline in this country for 30 years. A lot of the problems that we're dealing with now are the tail end of a 30-year downward spiral that all of us bear some responsibility for not addressing earlier and more vigorously. We can turn it around. We absolutely can, but it's going to take some time.

Number two is the changing nature of jobless people. It used to be people would lose their jobs; they'd be called back to their old jobs after a certain period of unemployment. Now it's much more structural, and people are not likely to get their same old job back. We have to revolutionize our approach to unemployed people. We need to scrap the present unemployment system and convert it into a reemployment system to move people through this economy more quickly. It's very, very important, especially when you go through the same kind of restructuring you're going through here.

Number three is, we're still not making, in my judgment, enough investment in the areas—and this is not just California—but enough investment in the areas that have been disproportionately hurt by either defense cuts or by disinvestment in our urban areas.

And finally, our problem is, at the national level, we have a real conflict that the American people have imposed on the Congress and on me that can't—we don't need to glaze it over. We know we need to invest more money all across the country, pure investments, things that create jobs. At the same time, the American people are telling the Congress to adopt a balanced budget amendment. And we have already adopted a 5-year budget which cuts defense, holds domestic spending flat, and is increasing only in retirement and health care costs. So every time I spend more money as the President or the Congress appropriates more money to invest in defense conversion, we have to cut something else out of the domestic budget right now. And all those people who said we haven't made any cuts, you just wait until we show up in January and I put that new budget on.

So all I'm saying is we have to keep bringing this deficit down. But we need the support of thoughtful people in the business community, in the labor community, and community leaders to work through these things with us. We also have to keep investing. This mayor and this city need the police officers on the street. We need investment, and we need partnerships in areas hit by defense conversion and in areas of the inner cities where there's been total disinvestment.

So we can do these things together but not if the political pressures force us to overlook the economic realities. And we're going to have to have really thoughtful support from the private sector if we're going to make the right kind of decisions, and it needs to be as nonpartisan or bipartisan as possible. We need to try to make our economic policies a matter of our national security. Those are the problems from my perspective. I'd like to now call on Senator Feinstein and Senator Boxer to talk.

Thank you.

NOTE: The President spoke at 10:20 a.m. at the space shuttle main engine final assembly area, Rockwell International/Rocketdyne Division. In his remarks, he referred to Mayor Dick Riordan of Los Angeles.

Remarks to Employees at Rockwell International in Canoga Park

December 4, 1993

Thank you very much, Mr. Beall, Mr. Paster, ladies and gentleman of Rockwell and Rocketdyne. I am very glad to be here. I want to thank all of you for coming, the workers in this great facility. And some of my workers in the last campaign from the Inland Empire I know came here. They're here somewhere over there. I thank you for coming.

I also want you to know that we're all a little embarrassed to be so late here, but if you got to watch the meeting that just occurred, you know that there were so many people with so many ideas about what we could do together to rebuild the California economy. Having asked them there, I could hardly walk away and not listen to them. I was so moved by the people who came and what they said and how very specific they were. It made me really have greater faith than ever before that together we can turn this economy around and get things going again for California and for the entire country.

I also want to say a special word of thanks to you for the sign that I walked under coming out here that said, "Thank you, Mr. President, for the space station." We worked hard to save it. We're going to work hard to keep it. It's an important part of our future, and so are you.

I ran for President, my fellow Americans, because I thought this country had two great problems: I thought we had to restore the American economy so that it worked again for middle class Americans and gave all Americans a chance to work their way into the middle class, and I thought we had to pull this country together again and make a strength out of our diversity, so that we can go into the 21st century as the greatest coun-

try in the world and so that every person can live up to the fullest of their ability.

[At this point, the President was interrupted by a noise in the factory.]

What is that? That's not my hot air for a change. *[Laughter]* If you can hear me, I'll talk over it unless we're in some kind of danger.

When I came to the White House in January, I had an economic strategy that I wanted to implement for all the country. And I knew there was a special problem here in California, the State that is not only our biggest State with our strongest economy but the State that by January was the most economically hurt because of a combination of factors: the decline in defense spending, the collapse of real estate, the stagnation of the economies to the East, which trade with California and which were not buying as many of our exports. All these problems combined at once to give terrible, terrible burdens to the people of California, much higher than average unemployment rates and an attitude that was dragging the whole country down. And it became clear to me that unless we could turn the economy of California around, we would never fully be able to lift the economy of America.

I came here today, a year after I held a national economic summit in my home State to get the best ideas I could about implementing our national economic strategy, to have an economic meeting here in California to assess what we have done in the last year and what we need to do in the years ahead.

I want to tell you first that I am convinced that this economy can recover for four reasons: first, because the national economy is now experiencing clear and consistent signs of recovery; second, because many of the things that we have done for the national economy will have a particular impact in California; third, because we are targeting resources to this State in programs that will help the economy, not by hurting other States but by giving California its fair consideration; and finally, fourthly, and most importantly of all for all of you, because we have committed ourselves in this administration to fight for a 5-year, \$20 billion program of defense conversion so that we don't leave the

people who won the cold war out in the cold, we invest in technologies for a commercial peacetime economy that can create jobs in California and jobs in this company.

Let me take these issues one by one. When I became President, I committed to bring the deficit down, to get interest rates down, to keep inflation down, to get investment up, and to give people incentives to invest in this economy. The Congress after a lot of struggling, adopted an economic plan, which I had pushed very hard. And here's what the plan does. It does raise taxes on somewhat less than 2 percent of our people, the wealthiest Americans whose incomes went up while their taxes went down in the 1980's. It also cuts taxes on 15 to 16 million working families who work 40 hours a week, have kids in their house, and are barely above the poverty line, so they'll be working and not on welfare. It gives the potential of a tax break to 90 percent of the small businesses in this country if they'll invest more money in their businesses. It increases the research and development tax credit to help companies like this one. It changes the rules to help people restore the real estate economy in States like California.

And in a year, look what's happened, look what's happened. We have historically low interest rates. Over 5 million Americans have refinanced their homes. We have low inflation rates. We have investment up. Housing sales were at a 14-year high last month. And we've had more jobs come in the private sector in the last 10 months than in the previous 4 years. We are moving in the right direction. Most Americans have not felt it yet, but you can't ignore the facts. The direction of the economy is good, not bad. We are coming back, and that will benefit the State of California and the people who live here.

The second thing I want to say is, there are a lot of things we're doing that will really help California just because of how the economy is organized here. We are focusing on new markets. We are focusing on new products. We are focusing on new opportunities for the American economy. Not very long ago, we removed from export controls \$37 billion worth of high-tech products and computers and telecommunications, one-third of which are manufactured in this State. That

will create tens of thousands of new jobs by permitting us to sell things abroad that we couldn't sell during the cold war. It will make a huge difference.

We're helping to build a national information superhighway to computerize all kinds of information to facilitate economic transfers. California is in a remarkable position to take advantage of that. We have a whole new technology initiative that will enable us to do things that will benefit this State disproportionately.

And finally, let me say, I know this is one of the more controversial things I've been involved in, but I have strongly supported efforts to increase trade, like NAFTA, because you can't keep and generate more high-tech jobs unless you have more customers. You know in this plant, don't you, that the American worker, under all the economic pressures of the 1980's, the American worker once again has become by far the most productive worker in the world. Now, we all know that.

But what else do we know? You know it here. What does productivity mean? That means fewer people can produce more goods and services. That means you have to have more customers for your goods and services if you want more jobs and higher incomes. So productivity is good. It is a precondition of having a strong economy. But it is not enough. It is not enough unless the world economy is growing. Unless we are experiencing an opportunity to increase the sales of our products and services, we can't have more jobs and higher incomes, not in California, not in the United States. So, you betcha, I want to sell more to Mexico and the rest of Latin America. I want to sell more to Asia. That's why I invited the heads of 15 Asian nations to come to the United States to meet with me. I want to sell more around the world. That's why we're working hard to reach agreement by December 15th on a new worldwide trade agreement, because I know that's the only way in the long run I can protect good jobs and high incomes and create more jobs. And I hope you'll support that.

We've also really tried to invest money in this economy. The most important thing we've done is to give American companies

the chance to be partners with the United States Government in converting from a defense to a domestic economy in the technology reinvestment project, which this year alone awarded over \$420 million in grants for new technologies for the future. Yes, the things we've done specifically for California are important, \$300 million more to deal with the problems of education caused by the influx of immigration, another \$500 million to help offset the health care costs of the State because of immigration, a \$1.3 billion for an infrastructure project to extend that Red Line and create new jobs. Those things are important.

But you know as well as I do, most of the new jobs in this country have to be created by people like you in the private sector. That's why the most important thing we can do is to help build new partnerships to take advantage of this wonderful technological wizardry that came out of all our defense investment and put it to work in the domestic economy, building a 21st century economy on high-tech commercial purposes based on the investments we've made in the cold war technology instead of letting them go to waste. We let that happen for too long. We started cutting defense in 1987. We didn't start rebuilding our economic base until 1993, but we're not going to let another year go by without doing it. I know that you know as part of this technology reinvestment project, Rocketdyne received an award for several million dollars to design and develop a portable environmental monitor to identify low concentrations of hazardous chemicals.

This is a big deal. We will be able to assess the impact of toxic spills and auto emissions, chemical warfare agents on the battlefield. We'll be able to do something that is good for defense and something that is good for our domestic economy. We'll be able to do something we have all known for years we ought to be able to do, which is to create an enormous number of high-wage, high-tech jobs by cleaning up the environment and developing technologies we can then sell to other countries to create jobs in America cleaning up their environment.

Rockwell also led two other winning teams, announced yesterday, one to improve the fuel efficiency of automobiles and heavy

construction equipment, at a potential fuel savings—listen to this—by as much as a billion dollars a year by the year 2000, another to allow medical personnel to monitor and diagnose trauma patients remotely, whether they're in rural clinics or far-off battlefields. Again, this is a huge deal. In America, rural health care is confronted with certain inevitable limits, whether it's in California or my home State of Arkansas or anywhere else. You cannot put all the high-tech equipment in the world in every rural area, but accidents occur there. If technology that has been developed to help people on the battlefields deal with the wounded, when only a medic is there and they need some high-tech connection, can be applied to rural health situations in America, it means again more jobs for Rockwell, a stronger economy for America, and a better quality of life. That is the sort of thing that this National Government should be doing to rebuild the economy of California and the United States and to move us forward.

Let me just say in closing, I know it gets frustrating to see how long it takes to make these changes be felt in your lives. I know that, but just remember, just remember if you look at our two biggest problems—the economy, working Americans have been working harder for stagnant wages for 20 years now. We cannot turn it around overnight, but we can turn it around. If you look at what's happening to our society, the rising rate of crime, the continued breakdown of the family unit, the increasing number of children being born to children out of wedlock, all these things that are disintegrating our society, that has been going on for 30 years. It did not start overnight. We can turn it around if we begin now. It won't happen overnight, but we can do it.

I just ask you to remember what can happen in a year. One year ago, the deficit was going up, not down, and interest rates were not dropping as they are now. A year ago, we didn't have the kind of bipartisan coalition passing bills like the Brady bill and a crime bill to put 100,000 police on the street. This Congress, in a bill almost nobody knows about, revolutionized the student loan problem to lower interest rates on college loans, make the repayment terms easier. And they

passed the national service bill which will enable 20,000 people this year and 100,000 people 3 years from now to serve their community at the grassroots level solving problems and to earn their way through college. These are big changes that didn't happen a year ago.

A year ago, we did not have a strategy to increase the exports of this country. We did not have the North American Free Trade Agreement, a new dialog with Japan, a real, intense effort to turn this whole trading situation around. If we can pass, by December 15th, if we can get the trading nations of the world to agree on a dramatic reduction of tariffs everywhere, what that means is that American manufacturing products will lead to creation of over a million new jobs in this country in the next 10 years. We did not have that, and I hope we can get it in the next 10 days. That is the kind of difference you can make in just a year. And it's just the beginning.

These grants that were just announced to Rockwell—the idea was approved by the Congress a year ago, but there was opposition in the Pentagon and in the previous administration. They did not believe this Government had an obligation to help you convert from a defense to a domestic economy. I know we do, and I believe this money—10 years from now, 20 years from now you will look back on this and say this is the best money we ever spent. And next year there will be more of it. We are just getting warmed up. You are our partners in building an America for the 21st century.

A lot of this may sound real detailed and complicated, but to me it's very simple. I think my job, as your President, is to get this country into the next century as the strongest nation in the world. I think my job, as your President, is to do everything I can to see that you have the opportunity and are challenged to assume the responsibility to build a community in this country that will enable every man and woman, every boy and girl to live to the fullest of their God-given capacities. That's my job. To do it, we're going to have to compete and win the global economy; we're going to have to educate and train our people; we're going to have to invest in those things that will produce jobs and in-

comes and opportunities; and we're going to have to take our streets, our communities, our families, and our neighborhoods back and do something about the terrible ravages of crime and violence that are consuming this country. But we can do it. We can do it.

I ask you always to be impatient with me and with this country. Push us to do better. Push us to keep making progress. But also recognize we got in the fix we're in—20 years in the decline of wages, 12 years in the explosion of the deficit, 30 years in the social problems we've got. We can turn it around. It won't happen in a day. But if we work together and we work hard, every year we can see progress. We can see progress. And we will look ahead to the 21st century as the best years our country ever had because we did our job now to rebuild America.

Thank you for what you're doing. I'll stay with you. God bless you.

NOTE: The President spoke at 1:50 p.m. on the main factory floor. In his remarks, he referred to Donald Beall, chairman, Rockwell International, and Robert Paster, president, Rocketdyne Division.

Remarks at the Creative Artists Agency Reception in Beverly Hills, California

December 4, 1993

I want to thank you, Michael, for that wonderful introduction. Even more I want to thank you and Judy for meeting me at the door with your three children, which reminded me what my job is all about. Are they great looking kids or what? *[Applause]* I want to thank you and Bill and Ron for hosting us all here. It's good to be back in this gorgeous building. And I'm delighted to be here with my good friend David Wilhelm and Secretary Ron Brown, who has been to California more than a dozen times in this first year of our administration trying to put together an approach that will help our Government to help you recover economically. I thank Kathleen Brown and Gray Davis and especially my good friend Senator Dianne Feinstein for being here with us. I hope you will send her back to the Senate. I also want to say a special word of thanks to so many

of you in this audience who worked for me in the last election, who made appearances for me, who helped to raise funds and helped to make arguments and who stood up for me in the face of some pretty wilting criticism.

I appreciated what Michael said about the fullback Presidency. One of my predecessors, Woodrow Wilson, who interestingly enough I learned had the biggest feet of any President until I came along—*[laughter]*—Woodrow Wilson was a great scholar, and he wrote a book, a much criticized book, about George Washington. But he said that the most important thing about George Washington when this country was getting off the ground was he never knew when he had been defeated in battle. He did not have enough sense to know when he was beat, so he just kept on going.

Well, there's something to be said for that. We measure out our lives too many times in short durations. And we measure defeat in the moment instead of over the long run. I did not run for this office for so long and under such difficult circumstances either to squander the opportunity to change this country by not trying to or by giving up in the face of opposition or even my own mistakes. For it is clearly true that in a time of great change with unprecedented challenges, if you try to do a lot of things, every now and then you won't do the right thing. But I think if your ears and eyes are open and your heart's in the right place, better to make a mistake and correct it than to sit on the sidelines and not try to change the country.

I came to California today to meet for a period of what turned out to be about 3½ hours, which is why we're a little late tonight, with a lot of community leaders from all walks of life to talk about what we had done together in the last year and what we could do in the year ahead to help to rebuild this economy and to rebuild hope and opportunity and community here. And afterward I went into the plant where we were at Rockwell and talked to a lot of folks who were working in the plant and gave an account of this last year. I don't want to do that tonight except to say that when I was upstairs meet-

ing some of you, it was interesting to me what was mentioned going through the line. Some people said, "I'm really glad you fought so hard for NAFTA and passed it." Others said, "I'm glad you're trying to get a new world trade agreement through GATT, but I'm glad you're fighting for the interest of the entertainment industry while you're doing it." Many said, "Thank you for the Brady bill." And some talked about the speech and encounter that I experienced on World AIDS Day.

But everybody who talked to me at least had a sense of possibility, a possibility of change, a possibility of improvement, a possibility that we were really doing things again. I ran for President because I thought this country had two great problems. I thought we were going in the wrong direction economically and otherwise, and I thought we were coming apart when we ought to be coming together. I ran because I wanted this country to go into the 21st century still the greatest country in human history and because I want every person who lives in this country to have a chance to live up to their God-given potential, something most of us in this room have had to such an extreme degree that we almost take it for granted that it's there for everyone.

And in the last year we have made a good beginning. Michael was kind enough to read the list of most of the important initiatives. This economic program to bring the deficit down and keep interest rates down and inflation down is very important. We've had a 14-year high in home sales. We've got the unemployment rate going down. We've got more private sector jobs in 10 months than in the previous 4 years. We are moving in the right direction even though, to be candid, most Americans haven't felt it yet, especially here in California. Plainly the direction is the right one.

We've tried to help families put their lives together and help people who are working and who have children succeed as parents and as workers, one of the biggest challenges in America today, one we all face, many of us. But since most parents have to work and most workers are parents, we can't go where we need to go unless we are committed to the proposition that people ought to be able

to succeed in both roles. That's why the family leave law was so important.

Perhaps the most moving experience I've had inside the White House occurred a couple of Sundays ago, maybe about six now or eight. I came in from my morning run, and there was a family there, a father, a mother, three children. And I noticed the middle child was in the wheelchair. And I went over and shook hands with them. It's very unusual for people to be touring the White House on Sunday morning, but this little girl was part of the Make-A-Wish Foundation. And she was desperately ill, and she wanted to see the White House and meet the President, so they brought her in there. And I shook hands with them, and I was a little embarrassed to be in my jogging outfit so I went up and got cleaned up, and I came down looking like a real President—[laughter]—and stood there to shake hands with the family and to take a picture. So we took a proper picture. And I was walking off, and the father grabbed me by the arm really strong. And I turned around, and he said, "Just in case you think what you do doesn't matter around here," he said, "my little girl is probably not going to make it. But I have been able to take time off from my job to spend time with her. It's the most important time I've ever spent in my life, especially if she doesn't make it. And because of that family leave bill, I could take that time off without fear of losing my job and hurting my wife and my other two children. Nobody should ever have to make that decision, and now we don't. Don't you ever think what you do here does not have an impact on people where they live."

I say that to make this point: In the end, the true test of our endeavors is whether they enrich the meaning of the lives of the people who live in this country. In the end, all the statistics and numbers, and did you pass more bills than anybody else and all that sort of stuff, really matters that were they the right bills, and did they affect people, and are they moving people both forward and together?

And I came here tonight really to ask for your help for this reason: I believe that we can move this economy in the right direction, even though the decisions are unbelievably difficult when you're trying to reduce the

deficit and increase investment where you need to increase it at the same time. I believe we can get a good set of trade agreements to expand global trade. I believe we can have a good technology policy. I believe we can redo the unemployment system and have a good training system in this country again. I believe, in short, that we can make the kinds of changes, public changes we need to make to move this country forward.

But we have to face the fact that millions and millions and millions of our fellow Americans are caught not only in an economic under class but almost in an outer class totally apart from the life that the rest of us take for granted. And it is because they are the ones who have been hardest hit by the combined force of a loss of economic opportunity, the destruction of community support, and the erosion of family itself. And the vacuum that is created has been filled for all too many of them by organized violence, organized around guns and gangs and drugs, with no offsetting forces.

And as Michael implied, some of that has been aggravated by the fact that there are not sustaining forces in our culture which tend to offset that. As I told the ministers in Memphis a few weeks ago at the Church of God in Christ convention, when they invited me into the pulpit where Martin Luther King gave his last sermon, there are problems this Nation has that cannot be fixed by the passage of a law or by an official decree from the President of the United States. They require us to change from the inside out and to change family by family, community by community.

I have a good friend with whom I grew up at home who wrote me of a conversation she had with some other people who were bemoaning the fate of all these kids in trouble, and this person said, "Well, how in the world are we going to save these kids?" And my friend said, "We're going to save them the same way we lost them, one at a time." If you think of that, society is largely organized around work and family. We have too many people today living in this world without either. And nature—and to be sure, they represent nature—abhors a vacuum. And that vacuum is being filled by all kinds of forces which are fundamentally destructive

of those people ever becoming what they ought to be.

Now, we are trying to deal with that as much as we can through public policy, through the Brady bill and through Senator Feinstein's effort to ban assault weapons and through—[*applause*]*—*that's worth an *applause*—I met your distinguished police chief for the first time tonight, even though I've been bragging on him for years now—through the effort to provide another 100,000 police officers in properly trained, properly deployed in community policing settings throughout the country, because that will actually diminish crime and provide alternative role models for young people.

There are a lot of other things we are trying to do. But I am telling you, the fact is it is awfully hard to put lives back together in an environment in which there are no lives organized fundamentally by work, by family, and by other community organizations that shape values and behavior; when impulses govern the lives of young people who cannot even fully understand the implications of what it means, often, to pick up a gun and pull the trigger; and when madly we permit many of these children, who themselves were never even given the fundamental basics of self-esteem and self-control and respect for others, weapons that make them better armed than the police who are supposed to be patrolling their streets.

But the fundamental problem is what has happened to all of them inside and what does not happen to them day by day. One hundred and sixty thousand kids in this country stay home from school every day because they are afraid of being shot or knifed on the way to school or in the schoolhouse.

Now, what's all that got to do with you? First of all, you have the capacity to do good, culturally, to help to change the way we behave, the way we think of ourselves. You have clearly, many of you, reinforced the awareness of our obligations to our environment, and we have begun to change in fundamental ways. Look at the way we changed our ideas about smoking in recent years, culturally, not because laws made us do it but because as a people we just decided to move in a different direction. You've helped to battle world hunger and make people more realistic

as well as caring about AIDS, and you've promoted world peace. And through the people at MTV and others who have promoted the motor voter bill, you've really advanced the civil rights cause by opening up a franchise to young people and to many who would otherwise not have registered and voted.

Now what we have are people who are vulnerable to cultural forces that the rest of us find entertaining, that are not in and of themselves bad when made part of a culture that is organized by work, by family, and by other institutions. I love television. I saw two or three of you tonight and quoted about some time I'd seen you on television recently. I love that. I am a movie-goer almost to the point of compulsion, have been since I was a small boy.

But you think of it, all of us who love that. How is our life organized? We spend most of our time working. We spend a lot of our free time, most of us, with our families. We have other ties to a community which shape our values, our conduct, our priorities, what we do with our money, how we think about our obligations. But what might be entertaining to us—a violent, thrilling movie or television program, a torrid but fundamentally amoral use and manipulation of people in what may be for us just an entertaining 30 minutes or an hour—if it's 10 or 11 hours a day of relentless exposure into the minds of people who have never been taught to understand the consequences of their action, never had any kind of internal structure motivated and driven by seeing their parents go to work every day and having a regular relationship with family and having other institutions, then these things can unintentionally set forth a chain reaction of even more impulsive behavior, even more inability to deal with conflict in nonviolent ways and to pass up the aggressive influences and impulses that all of us feel but most of us learn at some point in our lives not to act on. And it all gets worse if the void left by the loss of family and work and other institutions is filled by gangs and guns and drugs.

So, what I ask you for tonight is not to wear a hair shirt and say, "Mea culpa, I wish I hadn't done this, that, or the other thing," but to recognize that what may be one person's moment of entertainment, even exhila-

ration, the taking your mind off the pressures of the day, can, when multiplied by 1,000, have a cumulative impact that at the very least does not help to bring a whole generation of people back from the brink. I'm telling you, if we don't find a way to deal with this, the rest of these endeavors ultimately will fail. We will not be able to make a strength out of our diversity. We will not be able to restore the ladder from poverty to the middle class that can be climbed through work and education. We will not be able to put our people back together again and use our money on education and opportunity instead of crime and jail.

So what I ask you to do is to join a partnership with me, not to stop entertaining or even titillating, not to stop frightening or thrilling the American public, but to examine what together you might do to simply face the reality that so many of our young people live with and help us as we seek to rebuild the frayed bonds of this community, as we seek to give children nonviolent ways to resolve their own frustrations, as we seek to restore some structure and some hope and some essential dignity and purpose to lives that have been dominated by chaos or worse.

We must do this. Make no mistake about it. No society, no society can prosper allowing huge pockets of people to go on forever without the opportunity to work, allowing huge pockets of children to go on without the opportunity to get a decent education, allowing huge sections of cities to be no man's lands, where the law of the automatic assault weapon controls. We cannot do well if we permit that to happen. We need every last dollar we can to invest in growth and opportunity and positive good things. And we have to use every means at our command.

There are few things more powerful in any time and place than culture. The ability of culture to elevate or debase is profound. You know it, and you sense it in the power you have when you do something you're really proud of. Does that mean we should never have any violent movies? Of course not. I think, to mention one, "Boyz N the Hood" was a great movie because it showed the truth about what happens when chaos is replaced with destruction. I know the young man who made the movie is here tonight,

but I ask you to think about this. We have got to do this for our country. Together, so many of you have more influence over different kinds of people that you will never meet, that you're not aware of, than a President's speech can bring to bear.

For 30 years the American family has been under assault. The assault attacked black families first because they were most vulnerable economically. The same thing is now happening to other families. More and more children are born out of wedlock; more and more children are being born without parents; more and more children being abandoned; more and more kids growing up in violent neighborhoods. The racial differences were largely determined by who got hit first because of economic vulnerability. But now it is happening to everybody. So 30 years of family assault, 20 years where most working people had stagnant wages, 20 years of developing huge pockets where no one had a job—there have always been poor people in this country, but most of them have always been able to work—12 years in which we exploded public debt by consuming in the present instead of investing more in the future, these things happened over a long period of time.

Meanwhile, we want more and more entertainment, more and more instantaneously, as Michael said. We want more and more news, more and more instantaneously. Just give us the thing and let us focus on something else. For all of us who have highly structured, successful lives where our attention is diverted to the big fundamental things in our life, this works fine. For people living in chaos, it is a disaster.

And so I ask you, while you entertain the rest of us, let us together do something to rebuild the bonds of community, to restore the spirit of these children, to give people a chance to build whole lives around solid values so that they, too, will have internal structures that will permit them the luxury of the diversion some of us call entertainment.

We must rebuild this country fundamentally. And we have to have the support of people who can shape our culture to do it. It is our job, and if we do it, we will be proud we did.

Thank you, and God bless you all.

NOTE: The President spoke at 6:48 p.m. at the Creative Artists Agency (CAA). In his remarks, he referred to CAA chairman Michael Ovitz and his wife, Judy; Bill Haber and Ron Meyer, CAA partners; David Wilhelm, chairman, Democratic National Committee; Kathleen Brown, California State treasurer; and Gray Davis, California State comptroller.

Exchange With Reporters Prior to Discussions With Prime Minister Felipe Gonzalez of Spain

December 6, 1993

North Korea

Q. Mr. President, the IAEA has apparently rejected the North Korean response. Do you agree with that rejection?

The President. Well, what the IAEA has said is that they didn't think it was entirely adequate. But we have to go back and respond to them and we—at least they came forward, they reacted to our initiative. And we're consulting with the South Koreans now. We'll have a conversation with them and see what happens.

Q. Was it inadequate in your eyes—

The President. Well, obviously they didn't say, "We liked everything the United States said," and yes. So we were hoping that we could move more quickly, but I'm not entirely discouraged. We're talking to the South Koreans, and then we'll go back to the—

GATT

Q. Do you think the GATT agreement will be reached today in Brussels, Mr. President?

The President. I don't know. I just spoke with Ambassador Kantor right before the Prime Minister came in, and they've made some more progress. There are still a couple of sticking issues. We'll just see.

Q. On agriculture?

The President. I think they're doing quite well on agriculture. We'll have to see.

[At this point, one group of reporters left the room, and another group entered.]

Meeting With Haitian Leaders

Q. Mr. President, are you going to be meeting with President Aristide and Prime Minister Malval today? And what will you want to be discussing with them?

The President. I don't think we'll have a final decision on that until sometime after noon. So I can't say yet. But we'll let you know as soon as we know for sure.

Spain

Q. Do you forecast many differences between the social security system between Spain and the United States?

The President. Are there many differences?

Q. Yeah.

The President. Well, there are some, but I'm really looking forward to my conversation with the Prime Minister about it. All the countries, in Europe, Japan, and the United States, we're all having many of the same troubles. We're having troubles creating new jobs and growing the economy.

I think Spain clearly would benefit from any initiative we can all take to increase economic growth throughout the world. It's hard for any of us to grow unless the overall world economy is growing. And I really admire the reforms the Prime Minister has pursued, and I'm going to do what I can to support a high rate of growth in the world which would drive the unemployment rate in Spain down. I think it's very important.

Cuba

Q. Mr. President, the embargo?

Q. Do you bring that to your hand—something about the Cuban embargo?

The President. I'm sure we'll talk about Cuba.

Q. The end of the embargo, maybe?

The President. Not today, no.

NOTE: The exchange began at 11:37 a.m. in the Oval Office at the White House. A tape was not available for verification of the content of this exchange.

**The President's News Conference
With Prime Minister Felipe
Gonzalez of Spain**

December 6, 1993

The President. Good afternoon, ladies and gentlemen. In April, I had the honor and the pleasure of welcoming King Juan Carlos and Queen Sofia of Spain to the White House. Today, on the 15th anniversary of Spain's constitutions, I'm delighted to welcome Prime Minister Gonzalez.

When Spain hosted the Olympics last year, the world reveled in the modern bustle of Barcelona and the timeless beauty of the Iberian countryside. Spain's vibrant example inspires those around the world who are working to release market forces and political freedom from the shackles of the past. And few countries share as many rich cultural and historical ties to Spain as does America. The land on which I was born was once a part of the Spanish empire.

Our two countries are friends and allies. For over a decade, Prime Minister Gonzalez has led Spain with vision and with purpose. In our discussions today, I praised the Prime Minister for Spain's achievements at home during his years in office and for the increasingly important role Spain has come to play in the international community. As a strong NATO ally, vigorous proponent of European integration, current member of the U.N. Security Council, and significant trading nation, Spain has earned and exercised positions of true global leadership. Spain is serving the cause of humanitarian relief through its admirable participation in the U.N. protective force in Bosnia. We were all deeply saddened to learn about the death of a Spanish officer and the wounding of another there over the weekend. In Central America, Spain continues to provide important support for the development of peaceful and prosperous democracies. And the Madrid Conference, organized by Spain in 1991, helped make possible a fundamental shift in the dynamics of the Middle East.

Today, the seeds planted in the Madrid are beginning to bear fruit as the Middle East moves closer to a just and lasting peace.

Spain and the United States share a strong interest in expanding global economic growth and job creation. We discussed today the recent enactment of NAFTA and its potential as a building block for free trade, not only throughout Latin America but around the world. And we agreed on the critical importance of a successful conclusion to the GATT Uruguay round. All trading nations must now redouble their efforts in these last few days to secure a good GATT agreement.

The Prime Minister and I also discussed preparations underway for the NATO summit meeting in January. We both want to use that occasion to reaffirm the strength and the durability of the transatlantic relationship. We want to make concrete progress in adapting NATO, one of the most successful military alliances in all history, to the new realities and opportunities it faces.

Five centuries ago, Spain reached across the Atlantic to discover a new world. Today as partners, Spain and America set sail for a new century. And in that spirit, I am proud and honored to welcome Prime Minister Gonzalez and to extend to him and to the Spanish people a warm greeting from all Americans.

Mr. Prime Minister.

Prime Minister Gonzalez. Thank you very much, Mr. President. Let me simply add to what President Clinton has said that it's been a great pleasure for me to make this official visit to the United States of America. This has been important to me. I have been following very closely the electoral program that led to the President's triumph and what he has been doing with them since then. And I think the Spanish press will understand quite a bit that when we talk about education, infrastructure, health reform, that we hear that talked about in the United States and we understand it; we feel it in our heart, too, because it's something we are doing.

I'd like to thank President Clinton. This visit to Washington has allowed us to cordially exchange points of view in depth on our bilateral relations, European relations, the evolutions and changes taking place in Latin America, and certain different shared objectives we have in that part of the world. And it has allowed us to talk about the NATO summit in January, as the President men-

tioned. There are many problems, many challenges that we face after the Eastern bloc and the Iron Curtain fell. And obviously we face new challenges that NATO must meet. I think it's also worthy to mention that the GATT conversations may lead to success in the short term.

As I said when I congratulated the President for the approval of NAFTA, I wasn't simply being courteous and diplomatic. I said that because I think that NAFTA has great importance for the U.S., for its relations with Mexico, and moreover, I think it's an axis for future developments with all of Latin America, in spite of the fact that it will be necessary to adapt to that new reality.

So I think this has been an especially interesting visit. It's a very intense visit, I would add, and I think this is a good prolog. I have invited the President to visit Spain. I think he liked the idea, and I certainly hope that he gets a chance to do so.

And I've mentioned that my government is especially interested to see him in Spain. We know that he has visited Spain in the past, that he has taken contact with our country, and I'm sure that would make it easier to explain our country to him now. And I'm sure he's interested. So I certainly hope to see Mr. Clinton, President Clinton, in Spain in the future.

Thank you.

North Korea

Q. You mentioned today that the IAEA said that North Korea's proposal for nuclear inspections was not entirely adequate. What's the United States view of that? Do we accept it in part, in full, or not at all?

The President. Well, as I said earlier, obviously we're not entirely satisfied with the response of the North Koreans to the proposal we put forward, but we're going to meet about it later today, and then we're going to consult with the South Koreans and our other allies in the area and formulate our next move. I think it's important for me to have the opportunity to meet and discuss this, and I will be doing so this afternoon. And then it's equally important for us to get back to the South Koreans and others, so I'll

probably have more to say about it in the next day or two. But I think that, in fairness, I need to wait until I talk to my principal advisers and also talk to our allies.

Q. Is there any part about it you like?

The President. Well, what I liked most about it was there was some indication on their part that they understood that we needed to both start inspections and the dialog again between the South and the North; that was clear. And so it's like all these things in international diplomacy, the devil's in the details. But I'm hopeful that we can work something out, and I don't want to say more until I have a chance to meet with my advisers and also to talk to our allies.

Global Economy

Q. Would you share, for both of you, any ideas or differences about how to push the economy in the world?

The President. Actually we did. I'd let the Prime Minister answer that, but we've talked a lot about how the United States, Japan, and Europe all have obligations to try to get the growth rate up and what each of us needs to do. And we talked about how that plus a system of expanded trade could reward Spain for all the changes that you have made and generate more jobs.

Actually, the Spanish experience has been quite impressive in the growth you've had until the global recession of the last couple of years. So we've got to get out of that, and we have to do that, it seems to me, with a coordinated economic strategy.

Mr. Prime Minister.

Prime Minister Gonzalez. Well, first of all, let me stress that we fully agree on the need for coordination, coordination of the developed world, the countries of the developed world, in order to overcome an economic crisis and promote growth and create jobs. Coordination is even more important if you take into account that the economy is becoming globalized, so we need coordination.

We agree that successful GATT negotiations leading to agreement will be positive, and I think we agree on certain specific current policies such as coordination for lowering interest rates in Europe in order to spur investment and thus contribute to restarting the European economy. I think we are well

aware that growth, growth even in powerful, large countries like the U.S., if it isn't carried out in coordination and collaboration with other countries such as Europe and Japan, will encounter greater obstacles than it would with good coordination. So, that is quite clear, and I think that's the way out of a recession.

Somalia

Q. In Somalia last week, Americans saw the extraordinary scene of General Mohamed Farah Aideed being escorted out of Mogadishu in an American armored personnel carrier and flown to Ethiopia in an Army jet. How would you explain that to the families of those whose soldiers were killed in Somalia just 2 months ago?

The President. I would tell them that they were over there fighting ultimately for a peace to take place. And as I have said many times before, that action was fundamentally successful. They achieved their objective. They arrested a lot of people. We still have under custody the people who we think are the most likely to have been seriously involved in the murder of the Pakistani soldiers and to have caused difficulties for the Americans. We have started the process of having an independent commission look into that.

I said back in August that we were in the business of trying to solve this thing politically. Everyone thought it was important that General Aideed go to that peace conference. And Ambassador Oakley, who had to make this decision on the spur of the moment without much time to consider whether there were any other options, knew that the only other conceivable option was not going to be accepted and that he had to get the peace conference going. And so he thought it was the right thing to do. And I will stand behind his decision.

Summit of the Americas

Q. I would like to ask Mr. Gonzalez whether he has any comments on the U.S. initiative regarding the summit of the Americas next year in this country.

Prime Minister Gonzalez. If you allow a comment before that, first of all, we ourselves don't have troops in Somalia, but we do in the ex-Yugoslavia. If the President will

allow me, let me say that when one is involved oneself, it's harder to say. But let me say that in regard to the presence, the U.S. presence and other presence in Somalia has its cost. It has its human cost. But it has saved tens of thousands of lives, of innocent lives. It saved them from a death by hunger. Now, that isn't as visible. It's not stated as often in the media, but in honor of truth, let us say that it isn't a worthless sacrifice that has been made. Tens of thousands of people are reaping benefits from the sacrifice of those lives.

Secondly, I have been able to tell both the President and the Vice President when they mentioned this initiative to me about the summit meeting of heads of states of Latin America: When you look at the history of Latin America from the Second World War up until the present, I think there isn't a more timely, a better time, then, to bring the heads of state from all of the Americas together at one time and in one place. All of us want to see greater democracy, the elimination of violent alternatives, and a greater economic opening throughout the area, and we don't want to see any kind of return to the temptation of supernaturalism that has caused so much damage to the Americas in the past. So I think that initiative will find—[inaudible]—a very positive reception.

North Korea

Q. I wonder, sir, if I could get back to Korea for a moment, if you could characterize the near-term urgency of the situation over there, why it's so important now to settle this as quickly as possible.

The President. In Korea?

Q. Yes, sir.

The President. The near-term urgency is basically a function of what the IAEA has said. The longer they go on without adequate inspections, the more difficult it is for them to be able to certify the actual condition of the North Korean nuclear program and that's what the issue is. That's why we're trying to work it through as quickly as we can so we won't finally and completely break the chain that enables the IAEA to make certain representations to the rest of the world about where they are on that.

Someone else from Spain? Yes, ma'am.

Cuba

Q. Yes. I have a question for you. I would like to know if there is any sign of change, economic and political opening, in Cuba. Will you be able to take a moderate view and lessen the economic pressures being brought to bear on Cuba in the future?

The President. Well, as you know, the United States believes that the pressures we have brought to bear on Cuba are responsible, in some measure, for the very modest openings that we've seen coming out of Cuba with regard to travel and assets and a few other things. I see no indication that the nation or that the leadership, the Castro government, is willing to make the kind of changes that we would expect before we would change our policy.

Missile Targeting

Q. Mr. President, are you going to aim our long-range nuclear missiles away from Russia?

The President. Well, as I said back in April, around the summit with President Yeltsin, that's something we have under consideration, and we're working it through now. We're working very hard with the Russians to continue the denuclearization and to make them and ourselves and others feel more secure with that move. So that's one of the things we've had under consideration, but no final decision has been made.

Cuba

Q. I guess Cuba was an issue today. Did you learn anything from the Prime Minister's experience on Cuban issues? President, Prime Minister, do you think it would be better to have Cuba attend meetings of international organization? Would that lead to greater democracy in Cuba? Or should Cuba be not allowed to partake in these international organizations until they're a democracy?

The President. Yes, I learned something from talking to the Prime Minister. I found it very interesting. We've not had any contact with Cuba for a good long while now. So I asked him a number of questions, and I listened very closely to what he said.

Prime Minister Gonzalez. I think everyone can understand that we agree on what our common goals are for Cuba. In other words, I think we all want to see Cuba to join in with the rest of the Latin American countries in moving towards greater democracy and open economy. I think we agree on what we want Cuba to become. We have had some Ibero-American meetings, and in those meetings we did not exclude anyone. But I can understand that if we're talking about a meeting of all the democratic-elected leaders of the hemisphere, there would be exceptions and not just Cuba. I imagine Haiti would not be invited. If all the democratically elected leaders were meeting, Haiti wouldn't be there, either.

Health Care Reform

Q. Mr. President, right now the American Medical Association is meeting in New Orleans, and it seems like there is a big question about whether or not they are going to support your health program. How important is that to you, and what do you say to them about the obvious disagreement that's going on there?

The President. Well, first of all, I have been, frankly, pleased by the constructive response that the leadership of the AMA has taken to this point. As you know, it is a very different response than has been taken to any other health care initiative in the 20th century, different than their response to Medicaid or Medicare or to previous efforts at universal coverage. And I would hope they would do what the leadership has been doing, which is to explain what they want and where they differ and to keep working with us.

Let me say that I'm also very impressed and gratified by the response that a number of the other physicians' groups have had, the family practitioners, the pediatricians, and others who have been much more uniformly supportive.

There are a couple of things that I would expect are driving the debate at their meeting. First of all, there are some groups of specialists who disagree with our proposal to shift the Federal investment in medical schools to encourage more family practitioners. But I don't see how anyone rationally

could object to that since we are only turning out about 15 percent of our graduates in family practice, and we need more than twice that, looking ahead.

Then there are those who feel so strongly that fee-for-service is the right way for doctors to be reimbursed that they object to the fact that our plan would require a fee-for-service option to be given to everybody who doesn't have insurance now but would also require other options as well. To that, I would respond that those folks don't have any health insurance at all now and this will make it possible for them to get some, and some will choose fee-for-service.

Moreover, among those who do have insurance, every year fewer and fewer of them have that option. So, we're not accelerating a process that's not already well underway. We're simply trying to cover everyone on more or less equal terms, and we're going to at least give people the option to choose fee-for-service, which is something many people who are already covered don't have. So, I would hope they would consider those things and continue the dialog.

Q. Do you need them to get—[inaudible]

The President. I don't know about that. The more support we have, the easier it will be to pass. That's like anything else.

Angola

Q. On the role of fostering new democracies in the world that you both referred, I would like to hear your comments, both of you, on the situation in Angola, the lack of visible progress on the ground, and if you envisage any wider exercise that, in this case, that we see in Somalia these days, for restoring peace in Angola.

The President. It's a different situation than Somalia was when we went in there and much more hazardous. I don't foresee that. We have named a special emissary there. We are working hard on it, and I'm very disturbed by it. You know, the loss of life has been very severe. The number of children maimed by land mines there, I believe, is now the largest number in any conflict that we know about. I hope we can make some progress. I discuss it with our people at least once a week, sometimes more often. And we sometimes feel we are making progress, and

then it slips back. So, I wish I had a more hopeful scenario. I can tell you the United States is involved in it, that we are keeping up very closely with events, and we are doing our best to try to bring the conflict to a peaceful conclusion.

Prime Minister Gonzalez. I was in Angola just before the last elections, and it would seem that the international community has taken a firm decision to move forward respecting the results of any truly free and fair elections. The international community recognized that those elections were free and fair and that the results should thus be respected.

However, one of the parties in Angola did not respect the elections and were probably one of the bloodiest—[inaudible]—of the civil war that ever existed. So internationally, I think we need a high degree of coordination to try to get both parties to simply stop and try to help the country get back on the track of economic development. It's a country with tremendous resources and has tremendous economic potential. We haven't talked about that today, but I think all of us in the international community agree that we have to try to get those who ignored the rules of democracy in the past to respect the electoral results.

Thank you.

NOTE: The President's 37th news conference began at 2:01 p.m. at Blair House. In his remarks, he referred to Somali warlord Mohamed Farah Aided. Prime Minister Gonzalez spoke in Spanish, and his remarks were translated by an interpreter.

Remarks to Senior Citizens

December 6, 1993

Today we will have between 7,000 and 8,000 senior citizens going through the White House—just today—seeing and getting the tour and everything. So I'm glad you did it, and Hillary and I just wanted to comment and say hello to you and ask you just to take a few minutes and visit with us about this year and what we're going to be doing next year on the health care issue, because our efforts to change the health care system af-

fect senior citizens about as much as any group in the country.

And the most important things that I wanted to emphasize about what we're trying to do is first, we don't mess up what's all right now. We leave Medicare alone, the way it is, except that we add for senior citizens as well as for working people, a prescription drug benefit for the first time. When I ran for President—and I spent so much time in the New Hampshire area when I was running and I went to countless little meetings like this—the number one thing that people would tell me who were on Medicare is that they wanted a prescription drug benefit, that it was a terrible burden. So the way that this benefit will work is that every year there will be a \$250 deductible after which everyone's Medicare policy will cover the drugs that they are prescribed plus a modest copay, a small one.

The other thing that this does that I think is so important is to provide some options under long-term care. Today, there are a couple of problems with long-term care. One is that oftentimes people can't get it unless they spend themselves from Medicare down into the Medicaid eligibility, and then often the only option they have is a nursing home. So, what we want to do is to keep the nursing home option but to add in-home care, to add community based—like boarding home—care to the nursing home option. And we will phase that in over a few years as we achieve savings from the other changes in the program. But those are the things that I think are very, very important to our country.

The fastest growing group of Americans are people over 80. And we know that with proper medication people of all ages actually are more likely to stay out of hospitals, more likely to stay healthy, more likely to have lower health care costs over the long run. But that's especially true of senior citizens. We also know that with the fastest growing group of people being over 80, not everybody will be in the same condition. And more and more people will want to have the option to stay at home or maybe to leave for a few hours a day and be in some sort of community based care system. So, we think it's really important to move away from an undue bias on nursing homes to let people have broader

options. So, that's basically what this health care plan does.

And we're going to do our best to try to pass it next year and bring about some real security for people who are—for younger people who don't have Medicare, the most important thing about it is it will give them a package of health care benefits that they can never lose. That's the biggest problem for people who are insured in the system today: they can lose their benefits. And about 100,000 Americans a month lose it permanently. A lot of Americans are insured at work, but their children aren't insured. There are all these problems, and those will be fixed. But for senior citizens, the number one benefit will be the prescription drugs and the change in the coverage of long-term care.

NOTE: The President spoke at 3:25 p.m. in the Oval Office at the White House.

Remarks and an Exchange With Reporters Prior to Discussions With President Jean-Bertrand Aristide and Prime Minister Robert Malval of Haiti

December 6, 1993

Haiti

The President. I would like to make a statement first. I want to welcome President Aristide back to the White House and also welcome Prime Minister Malval here for the first time and the other people associated with the effort to bring democracy back to Haiti.

I want to reaffirm the support of the United States for the democratic impulses of Haiti and for the return of President Aristide. I'd also like to compliment Prime Minister Malval on his announcement today of his intention to remain on after December 15th as Acting Prime Minister and to try to revitalize and broaden the talks in Haiti within the framework of the Governors Island Agreement. The United States will support this Haitian initiative and seek the support of the U.N. and the OAS. We have no reason to believe that they will not also be supportive, and so we are looking forward to discussing

that. They just got here, and we're going to have discussion about that.

Q. Besides the sanctions, what steps are you willing to take to help restore democracy to Haiti?

The President. Well, let's wait until we have a meeting here. We're going to have a discussion about all those things, and there will be more to say about that.

North Korea

Q. How about North Korea then, Mr. President? Did you come to any decision in your meeting today?

The President. We worked through the problem, and at the end of the meeting I authorized our folks to go back to the South Koreans and our allies, and I expect to have a talk with President Kim sometime in the next 24 hours. We'll talk a little more about it then. I want to talk to them before I say more.

NOTE: The President spoke at 6:45 p.m. in the Oval Office at the White House. A tape was not available for verification of the content of these remarks.

Proclamation 6634—International Year of the Family, 1994

December 6, 1993

By the President of the United States of America

A Proclamation

Families are fundamental to the lifeblood and strength of our world. They are the nurturers, caregivers, role models, teachers, counselors, and those who instill our values. Generation upon generation have first experienced love through family bonds. We all must work toward the goal of preserving these ties, society's most valuable resource. In recognition of the vital links that connect us, the United States joins with other members of the United Nations in proclaiming 1994 as the International Year of the Family.

By honoring families, we are acknowledging the crucial role that they play in developing the character of our collective communities—on the local, national, and global lev-

els. The fabric of the United States and the world is woven together from many diverse ethnic and cultural family threads. Each family's unique traditions and teachings blend together to build the very foundation upon which we, as an international family, have grown and will continue to grow.

The family is the central core from which we prepare our children to assume the positions of leadership that will take us into the next century. By proclaiming 1994 as the International Year of the Family, we rededicate ourselves to today's families and tomorrow's leaders. As the changing world presents new and different challenges to both nations and individuals, the family's role must always be to ensure unconditional love and acceptance. We must sustain and support our families so that they can continue to survive and prosper.

The International Year of the Family seeks to raise awareness of family issues by addressing and reinforcing national family policies and programs. Additionally, the International Year of the Family strives to improve public and private partnerships related to family issues.

The United Nations, in designating 1994 as the International Year of the Family, emphasized that "families, as basic units of social life, are major agents of sustainable development at all levels of society and that their contribution to that process is crucial for its success."

Now, Therefore, I, William J. Clinton, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim 1994 as the International Year of the Family in the United States. I call on all Americans to observe this year with appropriate programs and activities.

In Witness Whereof, I have hereunto set my hand this sixth day of December, in the year of our Lord nineteen hundred and ninety-three, and of the Independence of the United States of America the two hundred and eighteenth.

William J. Clinton

[Filed with the Office of the Federal Register, 10:48 a.m., December 7, 1993]

NOTE: This proclamation was published in the *Federal Register* on December 8.

Letter to Congressional Leaders on the Federal Republic of Yugoslavia (Serbia and Montenegro)

December 6, 1993

Dear Mr. Speaker: (Dear Mr. President:)

On May 30, 1992, in Executive Order No. 12808, President Bush declared a national emergency to deal with the threat to the national security, foreign policy, and economy of the United States arising from actions and policies of the Governments of Serbia and Montenegro, acting under the name of the Socialist Federal Republic of Yugoslavia or the Federal Republic of Yugoslavia, in their involvement in and support for groups attempting to seize territory in Croatia and Bosnia-Herzegovina by force and violence utilizing, in part, the forces of the so-called Yugoslav National Army (57 *FR* 23299, June 2, 1992). The present report is submitted pursuant to 50 U.S.C. 1641(c) and 1703(c). It discusses Administration actions and expenses directly related to the exercise of powers and authorities conferred by the declaration of a national emergency in Executive Order No. 12808 and to expanded sanctions against the Federal Republic of Yugoslavia (Serbia and Montenegro) (the "FRY (S/M)") contained in Executive Order No. 12810 of June 5, 1992 (57 *FR* 24347, June 9, 1992), Executive Order No. 12831 of January 15, 1993 (58 *FR* 5253, January 21, 1993), and Executive Order No. 12846 of April 26, 1993 (58 *FR* 25771, April 27, 1993).

1. Executive Order No. 12808 blocked all property and interests in property of the Governments of Serbia and Montenegro, or held in the name of the former Government of the Socialist Federal Republic of Yugoslavia or the Government of the Federal Republic of Yugoslavia, then or thereafter located in the United States or within the possession or control of U.S. persons, including their overseas branches.

Subsequently, Executive Order No. 12810 expanded U.S. actions to implement in the United States the U.N. sanctions against the

FRY (S/M) adopted in United Nations Security Council Resolution No. 757 of May 30, 1992. In addition to reaffirming the blocking of FRY (S/M) Government property, this order prohibits transactions with respect to the FRY (S/M) involving imports, exports, dealing in FRY-origin property, air and sea transportation, contract performance, funds transfers, activity promoting importation or exportation or dealings in property, and official sports, scientific, technical, or other cultural representation of, or sponsorship by, the FRY (S/M) in the United States.

Executive Order No. 12810 exempted from trade restrictions (1) transshipments through the FRY (S/M), and (2) activities related to the United Nations Protection Force (UNPROFOR), the Conference on Yugoslavia, or the European Community Monitor Mission.

On January 15, 1993, President Bush issued Executive Order No. 12831 to implement new sanctions contained in United Nations Security Council Resolution No. 787 of November 16, 1992. The order revoked the exemption for transshipments through the FRY (S/M) contained in Executive Order No. 12810, prohibited transactions within the United States or by a U.S. person relating to FRY (S/M) vessels and vessels in which a majority or controlling interest is held by a person or entity in, or operating from, the FRY (S/M), and stated that all such vessels shall be considered as vessels of the FRY (S/M), regardless of the flag under which they sail.

On April 26, 1993, I issued Executive Order No. 12846 to implement in the United States the sanctions adopted in United Nations Security Council Resolution No. 820 of April 17, 1993. That resolution called on the Bosnian Serbs to accept the Vance-Owen peace plan for Bosnia-Herzegovina and, if they failed to do so by April 26, called on member states to take additional measures to tighten the embargo against the FRY (S/M) and Serbian-controlled areas of Bosnia-Herzegovina and the United Nations Protected Areas in Croatia. Effective April 26, 1993, the order blocks all property and interests in property of commercial, industrial, or public utility undertakings or entities organized or located in the FRY (S/M), including

property and interests in property of entities (wherever organized or located) owned or controlled by such undertakings or entities, that are or thereafter come within the possession or control of U.S. persons.

2. The declaration of the national emergency on May 30, 1992, was made pursuant to the authority vested in the President by the Constitution and laws of the United States, including the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*), the National Emergencies Act (50 U.S.C. 1601 *et seq.*), and section 301 of title 3 of the United States Code. The emergency declaration was reported to the Congress on May 30, 1992, pursuant to section 204(b) of the International Emergency Economic Powers Act (50 U.S.C. 1703(b)). The additional sanctions set forth in Executive Orders No. 12810, No. 12831, and No. 12846 were imposed pursuant to the authority vested in the President by the Constitution and laws of the United States, including the statutes cited above, section 1114 of the Federal Aviation Act (49 U.S.C. App. 1514), and section 5 of the United Nations Participation Act of 1945, as amended (22 U.S.C. 287c).

3. Since the last report, the Office of Foreign Assets Control (FAC) of the Department of the Treasury, in consultation with the State Department and other Federal agencies, has amended the Federal Republic of Yugoslavia (Serbia and Montenegro) Sanctions Regulations, 31 CFR Part 585 (58 *FR* 35828, July 1, 1993), to implement Executive Order No. 12846. A copy of the amendment is enclosed with this report.

Effective 12:01 a.m. e.d.t., April 26, 1993, Executive Order No. 12846 blocks all property and interests in property of all commercial, industrial, or public utility undertakings or entities organized or located in the FRY (S/M), including the property and interest in property of entities (wherever organized or located) owned or controlled by such undertakings and entities, that are or thereafter come within the United States or the possession or control of U.S. persons (amended section 585.201). Section 1(a) of Executive Order No. 12846 expressly blocks property subject to U.S. jurisdiction of many entities, both U.S. and foreign, heretofore blocked pursuant to the regulatory presumption of

FAC that all entities organized or located in the FRY (S/M), as well as entities owned or controlled by them, are controlled directly or indirectly by the Government of the FRY (S/M).

New section 585.215 implements section 1(c) of Executive Order No. 12846 to provide that, except as otherwise authorized, conveyances and/or cargo that comes within the United States and is not otherwise subject to blocking, but is suspected of a violation of United Nations Security Council resolutions imposing sanctions against the FRY (S/M), shall be detained pending investigation and, upon a determination by the Secretary of the Treasury or his delegate that a violation has occurred, shall be blocked. New section 585.216 of the Regulations implements section 1(b) of Executive Order No. 12846 to provide that, except as otherwise authorized, all expenses incident to the blocking and maintenance of property blocked pursuant to the Regulations shall be charged to the owners or operators of such property. Section 585.216 also provides for the discretionary liquidation of property blocked under these sections, with net proceeds placed in a blocked account in the name of the property's owner.

New section 585.217 provides that no vessel registered in the United States or owned or controlled by U.S. persons, other than U.S. naval vessels, may enter the territorial waters of the FRY (S/M) without specific authorization (Executive Order No. 12846, section 1(d)). New section 585.218 prohibits, unless specifically authorized pursuant to the statement of licensing policy in new section 585.524, any dealing by a U.S. person relating to the unauthorized importation from, exportation to, or transshipment through the United Nations Protected Areas in the Republic of Croatia and those areas of the Republic of Bosnia-Herzegovina under the control of Bosnian Serb forces, and activities promoting such trade (Executive Order No. 12846, section 1(e)).

The prohibitions of Executive Order No. 12846 apply notwithstanding any prior contracts, international agreements, licenses or authorizations, but may be modified by regulation, order, or license. New section 585.419 states that Executive Order No. 12846 does

not invalidate existing authorizations and licenses issued pursuant to Executive orders with respect to the FRY (S/M), unless terminated, suspended, or modified by FAC.

In addition to implementing the provisions of Executive Order No. 12846, the amended Regulations expand the general license in section 585.509 to permit certain "Qualified Transactions," in the form of debt-for-equity or debt-for-debt swaps in rescheduled commercial debt of the former Yugoslavia, where the Yugoslav debt being swapped was originally incurred by an entity in Bosnia-Herzegovina, Croatia, Macedonia, or Slovenia. These transactions are pursuant to the New Financing Agreement for Yugoslavia of September 20, 1988.

As part of the international effort to tighten economic sanctions against Yugoslavia, FAC has issued a series of General Notices listing "Blocked Federal Republic of Yugoslavia (Serbia and Montenegro) Entities and Specially Designated Nationals (SDNs)." Three additional General Notices have been issued by FAC since my last report. General Notices No. 4, No. 5, and No. 6 announced the names of 349 additional entities and five individuals determined by the Department of the Treasury to be Blocked Entities or SDNs of the FRY (S/M). General Notices No. 4, No. 5, and No. 6 supplement the listings of General Notice No. 1 (57 FR 32051, July 20, 1992), General Notice No. 2 (January 15, 1993), and General Notice No. 3 (March 8, 1993), and bring the current total of Blocked Entities and SDNs of the FRY (S/M) to 850. Copies of General Notices No. 4, No. 5, and No. 6 are attached.

Of the two court cases in which the blocking authority was challenged as applied to FRY (S/M) subsidiaries and vessels in the United States, the Government's position in the case involving the blocked vessels was upheld by the Fifth Circuit Court of Appeals. Supreme Court review has been requested. The case involving a blocked subsidiary remains to be resolved.

4. Over the past 6 months, the Departments of State and Treasury have worked closely with European Community (the "EC") member states and other U.N. member nations to coordinate implementation of the sanctions against the FRY (S/M). This

has included visits by assessment teams formed under the auspices of the United States, the EC, and the Conference for Security and Cooperation in Europe (the "CSCE") to states bordering on Serbia and Montenegro; deployment of CSCE sanctions assistance missions (SAMs) to Albania, Bulgaria, Croatia, the Former Yugoslav Republic of Macedonia, Hungary, Romania, and Ukraine to assist in monitoring land and Danube River traffic; bilateral contacts between the United States and other countries for the purpose of tightening financial and trade restrictions on the FRY (S/M); and establishment of a mechanism to coordinate enforcement efforts and to exchange technical information.

5. In accordance with licensing policy and the Regulations, FAC has exercised its authority to license certain specific transactions with respect to the FRY (S/M) that are consistent with the Security Council sanctions. During the reporting period, FAC has issued 137 specific licenses regarding transactions pertaining to the FRY (S/M) or assets it owns or controls, bringing the total as of October 15, 1993, to 563. Specific licenses have been issued (1) for payment to U.S. or third-country secured creditors, under certain narrowly defined circumstances, for pre-embargo import and export transactions; (2) for legal representation or advice to the Government of the FRY (S/M) or FRY (S/M)-controlled clients; (3) for the liquidation or protection of tangible assets of subsidiaries of FRY (S/M)-controlled firms located in the United States; (4) for limited FRY (S/M) diplomatic representation in Washington and New York; (5) for patent, trademark, and copyright protection and maintenance transactions in the FRY (S/M) not involving payment to the FRY (S/M) Government; (6) for certain communications, news media, and travel-related transactions; (7) for the payment of crews' wages and vessel maintenance of FRY (S/M)-controlled ships blocked in the United States; (8) for the removal from the FRY (S/M) of certain property owned and controlled by U.S. entities; and (9) to assist the United Nations in its relief operations and the activities of the U.N. Protection Forces. Pursuant to regulations implementing United Nations Security Council Resolution No. 757, specific

licenses have also been issued to authorize exportation of food, medicine, and supplies intended for humanitarian purposes in the FRY (S/M).

During the past 6 months, FAC has continued to oversee the liquidation of tangible assets of the 15 U.S. subsidiaries of entities organized in the FRY (S/M). Subsequent to the issuance of Executive Order No. 12846, all operating licenses issued for these U.S.-located Serbian or Montenegrin subsidiaries or joint ventures were revoked, and the net proceeds of the liquidation of their assets placed in blocked accounts.

The Board of Governors of the Federal Reserve Board and the New York State Banking Department again worked closely with FAC with regard to two Serbian banking institutions in New York that were closed on June 1, 1992. The banks had been issued licenses to maintain a limited staff and full-time bank examiners had been posted in their offices to ensure that banking records are appropriately safeguarded. Subsequent to the issuance of Executive Order No. 12846, all licenses previously issued were revoked. FAC is currently working with the Federal Reserve Board and the New York State Banking Department to resolve outstanding issues regarding the banks.

During the past 6 months, U.S. financial institutions have continued to block funds transfers in which there is an interest of the Government of the FRY (S/M) or an entity or undertaking located in or controlled from the FRY (S/M). Such transfers have accounted for \$36.6 million in Yugoslav assets blocked since the issuance of Executive Order No. 12808.

To ensure compliance with the terms of the licenses that have been issued under the program, stringent reporting requirements are imposed. Nearly 500 submissions were reviewed since the last report and more than 180 compliance cases are currently open. In addition, licensed bank accounts are regularly audited by FAC compliance personnel and by cooperating auditors from other regulatory agencies.

6. Since the issuance of Executive Order No. 12810, FAC has worked closely with the U.S. Customs Service to ensure both that prohibited imports and exports (including

those in which the Government of the FRY (S/M) has an interest) are identified and interdicted, and that permitted imports and exports move to their intended destination without undue delay. Violations and suspected violations of the embargo are being investigated and appropriate enforcement actions are being taken. There are currently 42 cases under active investigation. Civil penalties collected from financial institutions for violations involving transfers of funds in which the Government of the FRY (S/M) has an interest have totaled more than \$21,000 to date.

7. The expenses incurred by the Federal Government in the 6 month period from May 31, 1993, through November 29, 1993, that are directly attributable to the authorities conferred by the declaration of a national emergency with respect to the FRY (S/M) are estimated at more than \$3.9 million, most of which represent wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in FAC and its Chief Counsel's Office, and the U.S. Customs Service), the Department of State, the National Security Council, the U.S. Coast Guard, and the Department of Commerce.

8. The actions and policies of the Government of the FRY (S/M), in its involvement in and support for groups attempting to seize and hold territory in Croatia and Bosnia-Herzegovina by force and violence, continue to pose an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States. The United States remains committed to a multilateral resolution of this crisis through its actions implementing the binding resolutions of the United Nations Security Council with respect to the FRY (S/M).

I shall continue to exercise the powers at my disposal to apply economic sanctions against the FRY (S/M) as long as these measures are appropriate, and will continue to report periodically to the Congress on significant developments pursuant to 50 U.S.C. 1703(c).

Sincerely,

William J. Clinton

NOTE: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Albert Gore, Jr., President of the Senate.

Message on the Observance of Hanukkah, 1993

December 7, 1993

I am pleased to send my warmest greetings to all who are celebrating Hanukkah.

The Festival of Lights, a joyous holiday that commemorates a miracle, is a fitting time to give thanks for the blessings of the past year. One of those great blessings was the historic handshake between the Prime Minister of Israel and the Chairman of the Palestine Liberation Organization—something that surely would have seemed a miracle just a short time ago. Hanukkah serves as a reminder that faith and perseverance can sustain us against the most difficult odds.

We live in a world weary of violence and determined to take steps to advance the cause of peace. We live in a nation that has made a renewed commitment to improving our communities and using our rich ethnic heritage to unite us, rather than to divide us. The strong beliefs and confidence that brought victory to the Maccabees and eight days of light to the Temple can guide us as we face the momentous challenges of our times. The eternal lesson of Hanukkah—that faith gives us the strength to work miracles and find light in times of darkness—inspires all of us to strive toward a brighter future.

In this holiday season, let us rededicate ourselves to creating a more peaceful world for all.

Bill Clinton

NOTE: This message was released by the Office of the Press Secretary on December 7.

Statement on the Tentative Agreement To End the Coal Strike

December 7, 1993

I would like to commend the United Mine Workers of America and the Bituminous Coal Operations Association for coming together and producing a tentative agreement in this contentious strike.

This agreement represents good news for the coal industry, good news for its workers, and more good news for the economy as we approach the holiday season.

I applaud Mine Workers President Rich Trumka and BCOA Chief Bobby Brown for their dedication and commitment to an outcome that will support a strong and productive mining industry in America.

And I extend special thanks to former Secretary of Labor Bill Usery who was brought into this challenging mediation process at the request of Secretary of Labor Bob Reich. Bob assured me that Bill's history of stepping into and resolving tough disputes would prove to be invaluable to the negotiations. He was right.

Appointment to the Board of Trustees of the John F. Kennedy Center for the Performing Arts

December 7, 1993

The President announced today that he intends to appoint Lew R. Wasserman to the Board of Trustees of the John F. Kennedy Center for the Performing Arts, Smithsonian Institution. The Kennedy Center's 30-member Board of Trustees is responsible for the Center's maintenance and administration, including oversight of its \$75 million annual budget.

"Lew Wasserman's long and distinguished career in the entertainment industry has been truly remarkable," said the President. "Just as impressive is his commitment to public service. The Kennedy Center, one of our country's greatest artistic institutions, will benefit from his trusteeship."

NOTE: A biography of the appointee was made available by the Office of the Press Secretary.

Statement on Appointment of Assistant to the President and Deputy Chief of Staff

December 7, 1993

I've known Phil for a long time and believe that his integrity, personal qualities, and record of management success will be a genuine asset to the White House.

NOTE: This statement was part of a White House announcement naming Office of Management and Budget Deputy Director for Management Philip Lader as Assistant to the President and Deputy Chief of Staff.

Remarks on Signing the North American Free Trade Agreement Implementation Act

December 8, 1993

Thank you very much. I'm delighted to see all of you here. I thank Speaker Foley and the Republican leader, Bob Michel, for joining us today. There are so many people to thank, and the Vice President did a marvelous job. I do want to mention, if I might, just three others: Laura Tyson, the Chair of the Council of Economic Advisers; Bob Rubin, head of my national economic team; and one Republican Member of the House that wasn't mentioned, Congressman David Dreier, who went with me on a rainy day to Louisiana to campaign for NAFTA. There are many others that I might mention, but I thank all of you for what you have done.

I also can't help but note that in spite of all the rest of our efforts, there was that magic moment on Larry King, which made a lot of difference. And I thank the Vice President for that and for so much else. In the campaign, when we decided to come out for NAFTA, he was a strong supporter of that position in our personal meetings, long before we knew whether we would even be here or not.

I also would be remiss if I did not personally thank both Mickey Kantor and Mack McLarty for the work they did, especially in the closing days with the Mexican trade representatives and the Mexican Government.

I'd also like to welcome here the representatives from Mexico and Canada and tell them they are, in fact, welcome here. They are our partners in the future that we are trying to make together.

I want to say a special word of thanks to the Cabinet because we have tried to do something that I have not always seen in the past. And we try to get all of our Departments and all of our Cabinet leaders to work together on all the things that we all care about. And a lot of them, therefore, had to take a lot of personal time and business time away from their very busy schedules to do this. I think the former leaders of our Government that were mentioned and our military. I can't help but noting, since General Powell is here, that every senior military officer with whom I spoke about NAFTA was perhaps—they were as a group perhaps the most intensely supportive of any group I spoke with. And I think it is because they have in their bones the experience of the world of the last several decades. And they knew we could not afford to turn away from our leadership responsibilities and our constructive involvement in the world. And many of them, of course, still in uniform, were not permitted to say that in public and should not have been. But I think I can say that today I was profoundly personally moved by the remarks that they made.

I do want to say, also, a special word of thanks to all the citizens who helped us, the business leaders, the labor folks, the environmental people who came out and worked through this—many of them at great criticism, particularly in the environmental movement—and some of the working people who helped it. And a group that was quite pivotal to our success that I want to acknowledge specifically are the small business people, many of whom got themselves organized and came forward and tried to help us. They made a real difference.

And they've been mentioned, but I couldn't let this moment go by without thanking my good friend Bill Daley and Congressman Bill Frenzel for their work in helping to mobilize this effort. Congressman Frenzel wrote me a great letter the other day and sent me one of his famous doodles that he doodled around the NAFTA legislation,

which I am now having framed. But they sort of represented the bipartisan spirit that encaptured the Congress, encaptured the country in the call to change. I hope that we can have more than that in the days and months and years ahead. It was a very fine thing.

This whole issue turned out to be a defining moment for our Nation. I spoke with one of the folks who was in the reception just a few moments ago who told me that he was in China watching the vote on international television when it was taken. And he said you would have had to be there to understand how important this was to the rest of the world, not because of the terms of NAFTA, which basically is a trade agreement between the United States, Mexico, and Canada, but because it became a symbolic struggle for the spirit of our country and for how we would approach this very difficult and rapidly changing world dealing with our own considerable challenges here at home.

I believe we have made a decision now that will permit us to create an economic order in the world that will promote more growth, more equality, better preservation of the environment, and a greater possibility of world peace. We are on the verge of a global economic expansion that is sparked by the fact that the United States at this critical moment decided that we would compete, not retreat.

In a few moments, I will sign the North American free trade act into law. NAFTA will tear down trade barriers between our three nations. It will create the world's largest trade zone and create 200,000 jobs in this country by 1995 alone. The environmental and labor side agreements negotiated by our administration will make this agreement a force for social progress as well as economic growth. Already the confidence we've displayed by ratifying NAFTA has begun to bear fruit. We are now making real progress toward a worldwide trade agreement so significant that it could make the material gains of NAFTA for our country look small by comparison.

Today we have the chance to do what our parents did before us. We have the opportunity to remake the world. For this new era, our national security we now know will be determined as much by our ability to pull

down foreign trade barriers as by our ability to breach distant ramparts. Once again, we are leading. And in so doing, we are rediscovering a fundamental truth about ourselves: When we lead, we build security, we build prosperity for our own people.

We've learned this lesson the hard way. Twice before in this century, we have been forced to define our role in the world. After World War I we turned inward, building walls of protectionism around our Nation. The result was a Great Depression and ultimately another horrible World War. After the Second World War, we took a different course: We reached outward. Gifted leaders of both political parties built a new order based on collective security and expanded trade. They created a foundation of stability and created in the process the conditions which led to the explosion of the great American middle class, one of the true economic miracles in the whole history of civilization. Their statecraft stands to this day: the IMF and the World Bank, GATT, and NATO.

In this very auditorium in 1949, President Harry Truman signed one of the charter documents of this golden era of American leadership, the North Atlantic Treaty that created NATO. "In this pact we hope to create a shield against aggression and the fear of aggression," Truman told his audience, "a bulwark which will permit us to get on with the real business of Government and society, the business of achieving a fuller and happier life for our citizens."

Now, the institutions built by Truman and Acheson, by Marshall and Vandenberg, have accomplished their task. The cold war is over. The grim certitude of the contest with communism has been replaced by the exuberant uncertainty of international economic competition. And the great question of this day is how to ensure security for our people at a time when change is the only constant.

Make no mistake, the global economy with all of its promise and perils is now the central fact of life for hard-working Americans. It has enriched the lives of millions of Americans. But for too many those same winds of change have worn away at the basis of their security. For two decades, most people have worked harder for less. Seemingly secure jobs have been lost. And while America once

again is the most productive nation on Earth, this productivity itself holds the seeds of further insecurity. After all, productivity means the same people can produce more or, very often, that fewer people can produce more. This is the world we face.

We cannot stop global change. We cannot repeal the international economic competition that is everywhere. We can only harness the energy to our benefit. Now we must recognize that the only way for a wealthy nation to grow richer is to export, to simply find new customers for the products and services it makes. That, my fellow Americans, is the decision the Congress made when they voted to ratify NAFTA.

I am gratified with the work that Congress has done this year, bringing the deficit down and keeping interest rates down, getting housing starts and new jobs going upward. But we know that over the long run, our ability to have our internal economic policies work for the benefit of our people requires us to have external economic policies that permit productivity to find expression not simply in higher incomes for our businesses but in more jobs and higher incomes for our people. That means more customers. There is no other way, not for the United States or for Europe or for Japan or for any other wealthy nation in the world.

That is why I am gratified that we had such a good meeting after the NAFTA vote in the House with the Asian-Pacific leaders in Washington. I am gratified that, as Vice President Gore and Chief of Staff Mack McLarty announced 2 weeks ago when they met with President Salinas, next year the nations of this hemisphere will gather in an economic summit that will plan how to extend the benefits of trade to the emerging market democracies of all the Americas.

And now I am pleased that we have the opportunity to secure the biggest breakthrough of all. Negotiators from 112 nations are seeking to conclude negotiations on a new round of the General Agreement on Tariffs and Trade; a historic worldwide trade pact, one that would spur a global economic boon, is now within our grasp. Let me be clear. We cannot, nor should we, settle for a bad GATT agreement. But we will not flag in our efforts to secure a good one in these

closing days. We are prepared to make our contributions to the success of this negotiation, but we insist that other nations do their part as well. We must not squander this opportunity. I call on all the nations of the world to seize this moment and close the deal on a strong GATT agreement within the next week.

I say to everyone, even to our negotiators: Don't rest. Don't sleep. Close the deal. I told Mickey Kantor the other day that we rewarded his laborious effort on NAFTA with a vacation at the GATT talks. *[Laughter]*

My fellow Americans, bit by bit all these things are creating the conditions of a sustained global expansion. As significant as they are, our goals must be more ambitious. The United States must seek nothing less than a new trading system that benefits all nations through robust commerce but that protects our middle class and gives other nations a chance to grow one, that lifts workers and the environment up without dragging people down, that seeks to ensure that our policies reflect our values.

Our agenda must, therefore, be far reaching. We are determining that dynamic trade cannot lead to environmental despoliation. We will seek new institutional arrangements to ensure that trade leaves the world cleaner than before. We will press for workers in all countries to secure rights that we now take for granted, to organize and earn a decent living. We will insist that expanded trade be fair to our businesses and to our regions. No country should use cartels, subsidies, or rules of entry to keep our products off its shelves. And we must see to it that our citizens have the personal security to confidently participate in this new era. Every worker must receive the education and training he or she needs to reap the rewards of international competition rather than to bear its burdens.

Next year, our administration will propose comprehensive legislation to transform our unemployment system into a reemployment and job retraining system for the 21st century. And above all, I say to you we must seek to reconstruct the broad-based political coalition for expanded trade. For decades, working men and women and their representatives supported policies that brought us prosperity and security. That was because

we recognized that expanded trade benefited all of us but that we have an obligation to protect those workers who do bear the brunt of competition by giving them a chance to be retrained and to go on to a new and different and, ultimately, more secure and more rewarding way of work. In recent years, this social contract has been sundered. It cannot continue.

When I affix my signature to the NAFTA legislation a few moments from now, I do so with this pledge: To the men and women of our country who were afraid of these changes and found in their opposition to NAFTA an expression of that fear—what I thought was a wrong expression and what I know was a wrong expression but nonetheless represented legitimate fears—the gains from this agreement will be your gains, too.

I ask those who opposed NAFTA to work with us to guarantee that the labor and side agreements are enforced, and I call on all of us who believe in NAFTA to join with me to urge the Congress to create the world's best worker training and retraining system. We owe it to the business community as well as to the working men and women of this country. It means greater productivity, lower unemployment, greater worker efficiency, and higher wages and greater security for our people. We have to do that.

We seek a new and more open global trading system not for its own sake but for our own sake. Good jobs, rewarding careers, broadened horizons for middle class Americans can only be secured by expanding exports and global growth. For too long our step has been unsteady as the ground has shifted beneath our feet. Today, as I sign the North American Free Trade Agreement into law and call for further progress on GATT, I believe we have found our footing. And I ask all of you to be steady, to recognize that there is no turning back from the world of today and tomorrow. We must face the challenges, embrace them with confidence, deal with the problems honestly and openly, and make this world work for all of us. America is where it should be, in the lead, setting the pace, showing the confidence that all of us need to face tomorrow. We are ready to compete, and we can win.

Thank you very much.

NOTE: The President spoke at 10:37 a.m. in the Mellon Auditorium. H.R. 3450, approved December 8, was assigned Public Law No. 103-182. A tape was not available for verification of the content of these remarks.

Exchange With Reporters at Blair House

December 8, 1993

Violent Crime

Q. Give us your reaction, sir, to the shootings on Long Island—[inaudible]—in the shootings.

The President. First of all, it's a terrible human tragedy, and my sympathies go out to all the families involved.

I will say, I think we have to note that the gun that was used contained, apparently, two 15-round clips that were expended while this man in a manic state was walking down the subway aisle. And one of the reasons we ought to pass the crime bill is that Senator Feinstein's amendment to limit assault weapons would make those 15-round clips illegal. They're not necessary for hunting or sports purposes, and it simply allows you to shoot and wound more people more quickly. So I hope that this will give some more impetus to the need to act urgently, to deal with the unnecessary problems of gun violence in the country.

The second thing I would say is that while no one believes that there is anything we can ever do to solve every problem of someone who snaps mentally and does something terrible like this, and we have to acknowledge that honestly, there are a lot of things that we're going to have to do in this country to get violence under control that relate to rebuilding our communities and healing across racial lines and economic lines. But we need to start with public safety. Put those 100,000 police officers on the street. Pass this ban on assault weapons and these multiround clips. And let's get about the business of making the country safer.

Q. [Inaudible]—requirement for licensing and testing to purchase a gun?

The President. Well, that was recommended to me, as you know, by the Mayor-elect of New York and the Mayor of

Los Angeles, and I've asked the Attorney General to review it and make a recommendation to me on it. I think I should wait to hear from her on it. It is interesting how we regularly have requirements, for example, for getting and driving cars that don't apply to the use of guns. When I was a boy and first started to hunt, you know, one of the first things I was told was you have to learn how to use a gun safely and responsibly. And it's something I think we ought to look at. But I want to ask the Attorney General for an opinion before I discuss it further.

Lobbyists

Q. Sir, Roy Neel and Howard Paster are getting very lucrative jobs in PR and lobbying. Doesn't that, at the very least, give the impression of a revolving door that you spoke against?

The President. What I spoke of was not that citizens should go back to their private lives from Government and not that they shouldn't be able to use the knowledge and experience they have, but they shouldn't be able to abuse it.

What we did was to erect bigger walls against abuse. Neither one of them can ever lobby for a foreign interest and neither one of them can lobby the Executive Office of the President for 5 years on any matter even though the law only requires one year. So we've raised the wall higher, which is exactly what I promised to do.

Now if, in addition to that, the House will follow the Senate's lead and pass the lobby bill, lobby restriction bill, which will put restrictions on the activities of lobbyists and disclose more of them, and if the House and Senate will agree to a good campaign finance reform bill and the Congress will agree to live under the laws it imposes on private employers—if they'll do all that, which is on our agenda, then I think the public confidence will be much, much higher.

Surgeon General Elders

Q. Dr. Elders, obviously, has said a lot of things that have created a controversy, but unless I'm mistaken, this is the first time I can remember her making a comment that was a fundamental disagreement with you and that a member of your administration

talked about reining her in—that she needs to only speak for the administration.

The President. I just don't agree with that position. When you have someone as outspoken and energetic as she is, there's going to be times when she'll be outspoken and energetic in a way that I don't necessarily agree with.

Q. Is she allowed to disagree with you?

The President. But I certainly stand behind her foursquare as Surgeon General. I think she's done a good job, and she's beginning to really focus the country on a lot of these public health problems. So, she needs to make it very clear that—and I think she did, to be fair—that I just disagree with that. I have thought about it a lot, and I think the cost of legalizing drugs would far outweigh the benefits. But I think the fact that everybody in America feels overwhelmed and determined to do something about crime and violence and drugs and gangs is a very positive thing. So we'll just go from here.

President's Health

Q. Mr. President, how's your back?

The President. Much better, thank you. It just happens every couple of years. I wait for it to heal up, and I go back to running. It's fine.

NOTE: The exchange began at 2:11 p.m. A tape was not available for verification of the content of this exchange.

Remarks to Mayors and Chiefs of Police on Violent Crime

December 9, 1993

Thank you, Mayor Abramson, and thank all of the rest of you for coming here. I have looked forward to this meeting and to receiving this plan ever since the first discussion we held.

I believe that this Nation is really prepared in a way that it has not been before, at least in my experience, to do something about violent crime, to do something about all of its causes, and to try to come together across the lines of region and party and the size of the units in which we live to deal with these things that are tearing the heart out of our country. I think the rapid change of

opinion and movement on the Brady bill at the end of the last session is an example of that. I think the size of the margin by which Senator Feinstein's amendment was added to the crime bill in the Senate to ban 35 kinds of assault weapons was evidence of that. And so I think we are prepared to begin.

I would just like to make a couple of points, and then I came here, I'm sure along with the Attorney General and FBI Director and Dr. Brown, our Director of Drug Control Policy, as much to listen as to talk. I want to listen to you. But I would like to just put a few things on the table.

The first thing is that it is important that we get a good crime bill out early when the Congress comes back. And we'd like your help in defining what that is. The Senate and the House versions are different. The most clearly manifest difference is that the Senate version has more money in it and therefore would enable us to fund in this crime bill the full 100,000 extra police officers that I have supported since I began running for President.

As you point out in your report, it will take some time to train and deploy those people, but I know that it makes a difference. I think the margin of Mayor Lanier's reelection is evidence that people know that if you properly deploy trained personnel, it just doesn't serve to catch criminals quicker, but because of the relationships they develop in the community and their visibility, it actually reduces crime. I think there should be some alternative punishment for youthful offenders, boot camps and perhaps other things. I think that is very important.

Beyond that, we ought to talk about what else we do and where we go. But I want to emphasize that even with intense commitment in this city, you have to do the things that are before you. You have to get done what you can do at the moment and then move on to what's next on the agenda. So I think it is imperative that we move on the crime bill and the 100,000 police officers in the street and the boot camps as soon as we can when the Congress comes back.

I also think we ought to recognize that we don't have all the money in the world, and we don't want to spend a lot of money on

things that will be of marginal significance. I was glad to see you advocating in this paper—I've just been skimming it over—that we ought to give attention to drug treatment as well as drug enforcement, that we needed to deal with supply and demand in an even-handed way. We need some more investment to do that.

The last point I want to make is that this is the first step, but only the first step we have to take in restoring the conditions of civilized life to a lot of our cities. The reason a lot of these things are happening is that there has been a simultaneous decline of work, family, and community, the things that really organize life for all the rest of us. And we are going to have to rebuild them all. And it is not going to happen overnight, because these deteriorations have happened over a period of decades. But people can sense whether you are going in the right direction or the wrong direction, and I think we have to work together to change the direction. I am confident that we can. There are also maybe some things we can do administratively. And you have the people here who want to hear from you about that, and we want to go forward with that.

And finally let me say I think we ought to set up an ongoing relationship so that you can continue to work with us, get input, and help us to work through some of the difficult decisions that are always required when you move from the level of speaking to doing. And so we'd like very much to have, Mayor, some sort of ongoing mechanism that this administration can relate to from the membership of this group.

Lastly, let me say that I'm grateful for the participation here, not just of the mayors but of the several police chiefs. It's good to see all of you here. I think we can do something. I think the American people are tired of hurting and tired of feeling insecure and tired of the violence, and it makes such a huge gap between what we say and what we do and how we want to live and how we are forced to live. And it's affected now so many more people beyond the immediate victims of crime. It's changing everyone's life in ways that are quite destructive. We have to move. And I think we're prepared to move. And

I think with this document, you've given us a good basis to begin.

I thank you very much.

NOTE: The President spoke at 10:41 a.m. in the Indian Treaty Room at the Old Executive Office Building. In his remarks, he referred to Mayor Jerry Abramson of Louisville, KY, president, U.S. Conference of Mayors, and Mayor Bob Lanier of Houston, TX.

Remarks on Conversion of the Federal Fleet to Alternative Fuel Vehicles

December 9, 1993

Thank you very much. Please be seated. Thank you, Mr. Vice President and Secretary O'Leary and my longtime friend Garry Mauro.

I want to thank this task force for a job well done. I'd be remiss if I didn't ask the members of the task force who are here just to stand so we can be recognized. If you served on the task force, please stand up. [Applause] Thank you.

I also know that we had about 250 others, many of whom are in this room, who worked on the various subgroups of this task force. And I thank all of you. I thank Garry Mauro, the Texas land commissioner who has been my friend for more than 20 years, for his backbreaking work on this. I also want to thank the staff director, Tom Henderson, who is over here, who worked so hard on it. Thank you, Tom, for your work. Stand up. [Applause] Thank you. I thank Susan Tierney. And I want to say a special word of thanks to Hazel O'Leary for the statement she just made. One of my better predecessors, Harry Truman, once said that his job consisted largely of trying to talk people into doing what they ought to do without his having to ask them in the first place. [Laughter] So I didn't even have to ask her to comply. She has removed a major part of my job. But I thank her for that.

Today I am directing the White House Office on Environmental Policy, headed by Katie McGinty, to cooperate with the Department of Energy in their ongoing programs to put these recommendations into ac-

tion. These recommendations point the way to using the purchasing power of our National Government to promote vehicles that run on clean, domestic fuels, including natural gas, ethanol, methanol, propane, and electric power. The Federal Government is one of the Nation's leading purchasers of cars and vans and trucks and other vehicles. We buy tens of thousands of them each year, and even with the Vice President's reinventing Government report, we'll have to keep buying a few. Your recommendations show how we can make the best use of that purchasing power by buying alternative fuel vehicles in cities where air pollution is most severe, where Federal fleets are largest, where alternative fuels are available, where our efforts will be reinforced by State and local governments and private companies also committed to these goals.

The task force has identified cities where the Federal investment will produce the biggest markets when linked with State, local, and private efforts. Some of these cities are already converting their fleets, their buses, their service vehicles, their regular cars. By linking with these local efforts, a modest Federal investment can help jumpstart locally and regionally significant programs.

Americans don't want Federal bureaucrats deciding what's best on the local levels. And in this case, especially, one size does not necessarily fit all. But our efforts do serve three very important goals. First, we protect the environment. Second, we create new jobs by promoting the use of fuels that are produced in the United States and by encouraging American companies to build vehicles that use those fuels. Third, we reduce our reliance on foreign oil. Americans want a clean environment, secure jobs, and a more independent country, and these alternative fuels help us to achieve those objectives.

We build on the successful experience at State and national levels in government and in business. Garry Mauro has already converted the Texas State government's fleet of vehicles to clean domestic fuels. And you just heard Secretary O'Leary manifest her commitment to doing the same with the Federal fleet. Many members of this task force have started to convert their companies' fleets of

vehicles. Very often I preach to the converted; today, I'm preaching to the converters, I think. *[Laughter]* I can't believe I said that. It's been a long week. *[Laughter]*

I do want to say, seriously, that this effort is very important to me and has been from the beginning because it manifests two things that I believe very deeply and I believe all Americans must come to believe if we're going to really take this country where we have to go.

The first is that protecting the environment goes hand in hand with economic growth as we move toward the 21st century. If you look at what's happening in this country and around the world, at the crying need to increase the rate of growth and at the same time to protect this planet, it is apparent that the future will be what we desire only if we can achieve both great levels of environmental protection and higher rates of growth. If we fail at either one, and if we fail to reconcile the two, we do so at our peril and at the peril for the whole planet.

The second is that in a complicated, fast-changing world, Government can best lead by example, not by bureaucratic fiat. I believe that very strongly. We have to try to create environments, incentives, conditions in which the objectives we desire will be more likely to occur. And the recommendations of this task force achieve that objective very, very well.

So for all of that, I thank you all, those of you who contributed to this report. The best I can do is to do my very best to implement the recommendations of the task force. And I pledge to you that the Vice President and I and the Office of the White House, with the Office of Environmental Policy and with the Chief of Staff's well-known historic bias for natural gas, somehow we will find the way to make these task force recommendations come alive in the Federal Government and in the lives of the American people. Thank you very much.

NOTE: The President spoke at 11:47 a.m. in Room 450 of the Old Executive Office Building.

Remarks on Lighting the National Christmas Tree

December 9, 1993

Ladies and gentlemen, I'd like to begin my remarks by asking that we recognize the years of devotion that Joe Riley has given to this Pageant of Peace. Let's give him a big hand. [Applause]

This has been a wonderful night for Hillary and for Chelsea and for me. I thank Sandy Duncan for doing such a wonderful job in her tennis shoes; I think she looked sort of graceful limping out there. The DC Choral Kaleidoscope was wonderful. And I think Willard Scott is a perfect Santa Claus. You know, he will take any excuse to wear hair. [Laughter] But he looked beautiful. I'm especially glad to see my friends Charley Pride and Phil Driscoll. I thank them for being here. I thought they were terrific, as was the Air Force Band that I'm proud of as the President very, very much. Thank you all so much for what you've done.

In this Pageant of Peace we come together in the spirit of our better selves, wishing that somehow, some way, we could feel the way we feel tonight and in this Christmas season, every day, all year long. We are joined by simple and universal convictions: a shared faith, a shared joy, a shared commitment now to follow the directions of our faith, to love our neighbors as ourselves, to be grateful for what we have, to wish that others had it, and to take some time to give more of ourselves to others.

I ask tonight that all of us, each in our own way, express our gratitude to the men and women of our Armed Forces who are overseas in this Christmas season, to all those who serve us here in the United States, to our families and friends, and to all those to whom we could give a little something extra.

But most of all, because of all the difficulties we have had in the United States in these last couple of years, with violence in our own land affecting not only adults but more and more of our children, I ask tonight, at this Pageant of Peace, that we pray in this Christmas season that we be given the wisdom and the courage, the heart, the renewed sense of common humanity, to do what we can to bring more peace to the streets, the homes,

and the hearts of our own people and especially our children. That is something that would be perfectly consistent with the faith and the life we celebrate tonight, something we could take out of this Christmas season that would be the greatest gift we could ever give to ourselves, to our children, and to our beloved land.

Thank you. God bless you all. And now I'd like to ask my family to come up and help me to light the Christmas tree.

NOTE: The President spoke at 5:50 p.m. on the Ellipse. In his remarks, he referred to entertainers Sandy Duncan, Willard Scott, Charley Pride, and Phil Driscoll.

Remarks in a Telephone Conversation With the Space Shuttle Endeavour Astronauts and an Exchange With Reporters

December 10, 1993

The President. Hello?

Col. Richard O. Covey. Hello, sir.

The President. Can you hear us?

Col. Covey. Yes, sir, I can hear you loud and clear.

The President. Well, the Vice President and I wanted to call you and congratulate you on one of the most spectacular space missions in our history. We're all so proud of you, and we've been able to see you do all those things. It's just been wonderful, and I want to thank each and every one of you for what you've done. You made it look easy.

Col. Covey. Well, we appreciate the thanks and congratulations, sir. That's nice, particularly coming from you. As you know, great adventures are once-in-a-lifetime opportunities, and the seven of us were lucky to be able to be part of this great adventure.

The President. I know that you know this, but you have really both educated and inspired people all over the world. I don't think any of us will ever forget the image of K.T. lifting the damaged solar panel over her head and then letting it go. That was a moment of high drama. Maybe you should come down here and help us stage our events on Earth. [Laughter]

Mission Specialist Kathryn C. Thornton. I think it's easier to throw away solar panels. [Laughter]

The President. I'm glad the press corps heard you say that. [Laughter]

[At this point, the Vice President offered his congratulations to the Astronauts and the National Aeronautics and Space Administration.]

Dr. F. Story Musgrave. I'm Story Musgrave, sir. I'm one of the EVA group members. As you can see now, we've got some different colors here. The magenta, I guess you call it, are the space walkers, and the ones up front there in navy blue, they're the ones that took care of us and launched us, took care of us during the space walks, and will bring us back home.

What it took was incredible attention to detail and an incredible amount of energy to identify what surprises might come up and try to assure that we would get the job done, an immense amount of training. But I think it did, and the challenge was a very, very ambitious mission to restore Hubble, to fix the spherical aberration, to restore Hubble so it will be good for many, many more years of science. A very ambitious mission, but it did take the kind of stuff that we have, and it's mostly attention to detail, identifying surprises, turn over every stone, and give it all of the energy we've got.

The President. It also took at least one person who is making his fifth journey into space. You can't imagine what a wonderful picture you are there. You and the two men behind you proved that you can walk in space with or without facial hair. [Laughter] I tell you—Yes, well—and he's both.

Another thing that you did, I believe, to follow up on what the Vice President was saying, I think you gave an immense boost to the space program in general and to America's continuing venture in space. In this last session of Congress, we had quite a struggle to preserve the space station and an adequate ongoing budget for NASA because we were cutting so much else. I'm really gratified that we were able to do it, and I hope that this stunning example of what can be accomplished will really reinforce the support for America in space, both in the Congress and

in the country. I think it will. All of you were just absolutely wonderful.

[At this point, the Vice President welcomed the member of the team from Switzerland and stated that his involvement is symbolic of the international nature of today's space program.]

Mission Specialist Claude Nicollier. Well, I feel very privileged to have been selected for this mission as a representative of the European Space Agency. As you know, the European nations participated in this program, in the design and the manufacture and the exploitation of the scientific results, and I feel really very privileged and happy to have been selected as a crewmember, as the foreign crewmember of this mission.

The President. Let's see, who have we not heard from? The rest of you have to talk. There's somebody back home looking for you.

Col. Covey. Well, I was a little bit remiss, sir, and I didn't introduce all of the crew. You just heard from Claude Nicollier, the other member of the orbiter crew who did a lot of the mechanical arm flying. Along with Claude was my copilot, Ken Bowersox on my right here. And the other EVA crew members, besides K.T. and Story are Tom Akers on my far left and Jeff Hoffman behind me. I'm sure they would all like to make a statement, then I'll let Sox start off.

Comdr. Kenneth D. Bowersox. Yes, sir, I just wanted to say I'm proud to be from a country that supports efforts like this. I think space exploration reflects the continuing pioneering spirit of the American people, and I think it's something we can all be proud of.

Mission Specialist Jeffrey A. Hoffman. Hello, Mr. President. Thanks for your congratulations. Of course, for every one of us seven up here, there are literally hundreds of people on the ground, on the ground team who have put just as much effort and energy and talent into this mission to make it a success as we have. And they not only deserve the credit for it, but we sure wish they could be up here with us.

Dr. Musgrave. Mr. President, I think that this mission is unique in another way, and that is that it has really combined two aspects

of space exploration. It has joined the use in space for scientific exploration—which the Hubble telescope is so exciting, and everyone in the astronomical community and all over the world is waiting to see the results now of the newly refurbished Hubble—and it's joined that with the human space program. And this is very exciting, and I think it is only the first part of showing what people and machines and scientific exploration and human ingenuity can do in the environment of space.

The President. Well, thank you all. Let me just say again that we are all so proud of you, and I appreciate what each and every one of you have said. It's a real clear message about not only your incredible abilities and your courage and the support you got from all of those hundreds of people helping you back down here but of the profound importance of our country continuing its adventures in space. We depend on it down here for so much scientific knowledge, and we're going to do what we can do to support you and to support NASA and to support the space program. And you have taken an enormous step forward for building that kind of support, not just in the minds but in the hearts and the spirits of the American people. And you've done it with great good humor. And we thank you so much.

The Vice President. Thank you, a wonderful, inspiring success story.

Col. Covey. Well, we truly appreciate those words, and we thank you for taking the time to talk with us now and also for taking the time to be supportive of our Nation's space programs. It's very important to us, and I can't tell you how proud we are to be able to represent those programs and to be able to help bring NASA back to new heights if we can do that.

The President. You already have. Thanks.

Astronauts. Thank you.

The President. Good luck.

[At this point, the telephone conversation ended and the President answered reporters' questions.]

Space Program

Q. Mr. President, do you believe that this flight was a make-or-break effort for NASA?

The President. I don't know about that. I think that this flight's success will plainly illustrate the importance of NASA's many missions and reinforce the understanding of that importance in the American people and the support for it.

The Vice President. It's just the pressurization. [Laughter]

The President. I thought it was someone hissing at my response. [Laughter]

Q. Is it a new lease on life for the space program?

The President. Well, I think the space program got a new lease on life in this last session of Congress after the completion of the Best report and the redesign of the space station and Congress reaffirming the support for the space station. And then the support we've achieved, at least from the leadership, the appropriate committees in Congress, for the Russian participation in the whole continuing vision of the space station, I think that was very important. But this probably will galvanize the public's imagination and support again in a way that nothing we could have ever done in this town would have accomplished.

Gun Control

Q. Sir, on a more down-to-earth issue, are you ready to fully endorse this idea of gun ownership licensing and registration?

The President. Well, as I said, there are a whole lot of different ideas that have been advanced in this whole area, including a much better oversight of people who actually sell weapons in the country and a whole series of things on that. That's a question of Federal registration, as well as some State and local registration, too, at least for over-the-counter sales. And there are any number of other issues.

Keep in mind, I keep saying we have to do these things one at a time. The crime bill with the amendment by Senator Feinstein which passed the Senate has not yet passed the House. That's a very important step because that will be a measure of the willingness of the Congress to move forward here in banning some of these assault weapons. But another big step will be getting the Federal Government, the Treasury Department, ATF, the capacity to define identical assault

weapons that may not be mentioned by name in the law but that are the same thing with just some minor modification to try to get around the law. In other words, there are a whole set of issues here that I believe we have to look at and make decisions on and then set up a set of priorities based on how much we can get done how quickly.

On the issue of the registration of either the guns themselves or the people who own them, you know, in the question of automobiles we have both people registered, you know, people have an automobile license, and the cars themselves are registered. And that's all done at the State level, but a lot of the information is in national computers for law enforcement purposes. For example, if someone steals your car today and drives it to another State and leaves it in the parking lot of a shopping center and it's found, the license number could be fed back into the computer, and you could be told within a matter of a few seconds, normally, that your car's been turned up and where it is. So what I am doing now is to ask the Justice Department to work with our staff to analyze all these proposals both on the merits, if it's right or wrong, and secondly, for the details, how could it be done, and thirdly, what should we do in what order. And that's what I'm looking at now.

The main thing I can tell you is that we are committed to going further. The Brady bill was a good first step. It will save some lives, especially for people who have established records of mental problems or clear criminal records. But it is nowhere near enough. It is the beginning, and we have got to move forward.

Q. The North Koreans——

The President. You heard my answer. I just think it is very important that we know exactly what we're talking about: How would it be done? What are the mechanics? How does it rank in order of priority with these other things we have to do, both in terms of what's most urgent, number one, and number two, what can we most likely get done quickest?

And let me just emphasize, if you look, there was a study in one of the papers just in the last 10 days on the deaths of young people by gunshot in one of our major cities

which concluded that the increase in the death rate was attributable over a brief period of time, like over the last 5 years—we're not talking about 20 but over the last 5 years—entirely to the dramatic increase in the use of semiautomatic assault weapons as opposed to single-shot guns. That single thing had raised the death rate in the last 4 or 5 years more than any other thing.

So, there are lots of issues here. We're going to try to deal with them all in an aggressive and forthright way, but we have to figure out exactly what to do and in what order. The possibility of movement here has just opened up, and the American people need to keep the pressure on, and we'll keep moving.

North Korea

Q. Mr. President, the North Koreans seemed pretty inflexible yesterday in their statement about their offer being "take it or leave it." Is there more flexibility in private than they're showing in public?

The President. Well, let me just say we have some hope for the continuing discussions. When negotiations are going on, I'm always reluctant to characterize them one way or the other, whether it's GATT or with North Korea. I just don't want to do that. But if you've asked me, have I given up on the discussions, the answer to that is no. We're aggressively pursuing them.

NOTE: The President spoke at 8:37 a.m. in the Oval Office at the White House.

Interview on "The Home Show"

December 10, 1993

Gary Collins. The President of the United States, ladies and gentlemen.

The President. Gary.

Sarah Purcell. Hello, Mr. President, how are you?

The President. How are you? Glad to see you.

Ms. Purcell. Pleasure to meet you.

The President. Thank you.

Ms. Purcell. Thank you. Welcome to your own home.

The President. Here we are.

Mr. Collins. By the way, have you done all your shopping yet?

The President. No, I haven't even started.

Mr. Collins. Oh, yes, we know what you're going to get, though.

The President. You do?

Mr. Collins. Well, it's bigger than a bread-box but smaller than a bus.

Mrs. Clinton. Now, don't give it away.

Mr. Collins. Oh, I'm sorry.

Ms. Purcell. You know how these men are——

Mr. Collins. That's good—[inaudible]—what are you getting——

The President. I accept.

Mrs. Clinton. He seems very happy.

The President. Hi, Socks.

Ms. Purcell. Can you give us any hints about what your plans are for a gift for——

The President. No, I wouldn't do that.

Ms. Purcell. We saw your last year's gifts.

The President. I have made a decision. Do you like that?

Mr. Collins. Well, somebody told us that you shop Christmas Eve, is that correct? Do you like that?

The President. I do two things actually, though. At least in the past I have. When we lived in Arkansas, I had a little closet that was just mine, and I shopped all year long for everybody that I knew, just a little bit here and there. And I'd travel around, and I'd buy something, and I shoved it all in the closet. And then about 10 days before Christmas, I'd take it out and organize it. And then I would find out what I hadn't done, and then I'd go out the day before Christmas and shop.

Ms. Purcell. Now, who did your wrapping, or did you do the wrapping?

The President. Well, the people who worked at the Governor's mansion did some of it, and then I did some of it. I did a lot of it myself.

Ms. Purcell. Are you pretty good?

The President. Chelsea and I would do a lot at the end. I'm pretty good actually.

Ms. Purcell. Yes.

The President. I'm not bad.

Mr. Collins. I just hate it. I would walk a mile rather than wrap a package.

The President. Well, you know, at the end of the—the last 2 or 3 days I get in the

Christmas spirit in a big way, and I do a lot of that stuff.

Mr. Collins. Is that starting to build for you now? I mean, first Christmas in the White House as President.

The President. But really, I become like a little boy again around Christmastime. I don't want to sleep. I just want to, you know, do things.

Mr. Collins. This has really been a year for you folks, hasn't it? I mean, all the things that have been going on, the health reform, NAFTA, the Brady bill. I mean, the list goes on and on, and it just seems you're just getting started. And the polls seem to reflect kind of a turnaround in the feelings about the White House and what the effort is here. It must give you a tremendous sense of pleasure.

The President. Well, when we took office, you know, there was so much to be done and such a huge wall of cynicism that we had to pierce. And you know, when you start really changing things, there are going to be a lot of broken things around and about. So we knew it would be tough, but it was really gratifying to come to the end of the year and to see these ratings come out saying that I had more success than any President in the last 40 years in the first year and things like that. I think people are beginning to see, well, the economy's getting better and the country's moving. I'm very, very grateful for it.

Mr. Collins. So it's going to be a great message this Christmas.

The President. It's going to be a happy Christmas at our place.

Mr. Collins. What do you like about it most? I mean, what's the highlight of Christmas for you—if you had to pick one thing?

The President. If I had to pick one thing, it would be our family's sort of renewed sense of togetherness. It happens every year. Just the sense of gratitude we feel, it really kind of comes together, we feel. We try to remember what Christmas is really a celebration of, and it brings us closer together.

Ms. Purcell. You come from a single-parent family, and I know that Christmas probably is a lot different for you now. How do you feel about those changes in your life? And how does it mean——

The President. Well, I'm just—I'm very grateful. I'm extremely grateful to my mother, who was widowed three times in her life, a very brave lady. And she did a good job for me and for my brother. We're grateful to her. And I think it's real important, as Hillary and I go across the country and try to get more families to stay together and more intact families and support more responsibility for fathers, to point out that there are an awful lot of single parents out there—mostly women but some men—who have done a superb job, who've been fanatically loyal to their children, who've made great sacrifices for their children. You know, if every parent in this country, whether there was a two-parent family or single-parent family, had the internal fortitude and the external skills to put their children first in their lives, the problems in this Nation would drop dramatically in a decade. Ten years from now you wouldn't recognize this country.

Ms. Purcell. I absolutely agree.

Mr. Collins. If we could just keep the spirit of Christmas going a little bit beyond New Year's, we'd have remarkable results.

We talked about earlier tradition. We talked about the food that you're going to share on Christmas Day and so forth, and we waited for you to arrive because I understand—and we have a good source here—that on Christmas Eve, part of the fun is doing carols and acting out roles. We heard that you're awfully good.

Mrs. Clinton. He's a good singer, too.

Mr. Collins. Is he?

Ms. Purcell. Is he a good singer?

The President. I love Christmas carols.

Ms. Purcell. And you act out the parts in the carols, from what I understand. Somebody's Rudolph and someone's——

Mr. Collins. What's one of his big hits?

Mrs. Clinton. Well, the Twelve Days of Christmas, you have 12 different things to do. So, that's a special thing.

The President. I'm a very good partridge in a pear tree. *[Laughter]*

Mr. Collins. Can you give us an example?

Mrs. Clinton. We've never known quite how to act that out, so it's different every year.

The President. Maids a-milking, you know. Swans swimming. *[Laughter]*

Mr. Collins. We'll be back with the Twelve Days of Christmas.

Mrs. Clinton. What is it, nine lords-a-leaping?

The President. I can't believe I did—yes——

Ms. Purcell. We'll take a break and be right back as soon as we can remember them all.

[At this point, the network took a commercial break.]

Ms. Purcell. *[Inaudible]*—but they actually have, and then you had something that you wanted to present them with, didn't you?

Carol Duvall. Well, I do feel a bit like it's bringing coals to Newcastle to bring you a Christmas ornament after looking at all these gorgeous, gorgeous trees. But we did know that you have an official White House heart ornament that a lot of the quilters around the country had made. Well, we wanted to get into the act, but I know that a lot of our ladies don't all sew, they don't all quilt. So, I tried to copy the idea with a nonsewing one. And this is our little ornament for you.

Mr. Collins. That's a little ornament. Take a look at it. All right, there it is, and here we go.

Ms. Duvall. Now, you're supposed to turn it around to the other side.

Mr. Collins. Turn it around.

Mrs. Clinton. Oh.

The President. That's great.

Mr. Collins. Oh, I remember that.

Mrs. Clinton. That's so neat.

Mr. Collins. Mr. President, if you can hold that real close over your shoulder, we'll get a——

Ms. Duvall. They've got a shot of it. I'll have to tell you that was before this meeting, so I had to cut that out of a magazine. But, it was a nice picture of you.

Mrs. Clinton. Oh, Thank you. We'll put that on our personal tree.

The President. We've been collecting these ornaments, you know, for a very long time now.

Ms. Purcell. And I know that the two of you have been giving a lot of thought to this being your first year in the White House, your first Christmas in the White House. And

I know you must have some special thoughts of things you might wish for the Nation for the New Year and for the holidays. Would you like to start, Mrs. Clinton?

Mrs. Clinton. Well, I just wish that the feeling of Christmas and the meaning of Christmas could find a place in the heart of everyone in the country and that it wouldn't be just seasonal, but it would go on and on and help change the way we treat each other and live together.

The President. My hope is that we will achieve more peace on Earth next year, peace in the Middle East, relief of tensions in other places in the world, but mostly that the American people will find a way to bring peace to our own streets, our own homes, our own communities. Our Nation is too violent. It makes a mockery of all the things we say we believe. It is turning the joy of childhood into a tragedy for too many millions of children. And I'm going to work real hard next year to have more peace on this piece of Earth that we inhabit in the United States.

Mr. Collins. Well, I don't know how you can work any harder than you've worked this year.

Ms. Purcell. Absolutely.

Mr. Collins. With the surge in popularity, the people turning to the Government to say, "please help us; it looks like we can't do this ourselves," are you going to feel much more bolder next year in terms of your campaigns and—

The President. Well, I don't know if we can get any more done than we did this year, but I think we can. I think we can move forward on health care, on crime and violence, and on reform of the welfare system to move more people into permanent jobs, which I think will strengthen families. Those are the three things we're going to be—

Ms. Purcell. Two enormous jobs to tackle, but thank you so much for sharing this with us. We really appreciate here at "The Home Show"—

Mr. Collins. We wish you the very, very best holiday.

Ms. Purcell. And thank you for sharing it with us.

The President. Thank you.

NOTE: The interview began at 11:49 a.m. in the Diplomatic Reception Room at the White House.

Proclamation 6637—Human Rights Day, Bill of Rights Day, and Human Rights Week, 1993

December 10, 1993

*By the President of the United States
of America*

A Proclamation

Thomas Paine once wrote that "Had we a place to stand upon, we might raise the world." December marks the anniversary of two cornerstone events in the continuing struggle to guarantee the protection of human rights and to raise world awareness of these due liberties. On December 15, 1791, the American Bill of Rights was ratified. And a century and a half later, on December 10, 1948, the United Nations General Assembly adopted the Universal Declaration of Human Rights. Each document has raised the sights—and elevated the lives—of countless people.

Our Bill of Rights guarantees our fundamental liberties, including freedom of religion, speech, and the press. It has been an enlightening guidepost during the more than 200 years of social change that have broadened our understanding of these basic liberties and assured these basic rights for all of our citizens. We continue to commemorate Bill of Rights Day because ensuring respect for human rights in the United States is never ending—it is a work in progress.

This year marks the 45th anniversary of the Universal Declaration of Human Rights. The universality of these rights and the common duty of all governments to uphold them—the themes embodied in the Declaration—were reaffirmed at the World Conference on Human Rights in Vienna this past June. The Declaration has been the building block for developing international consensus on human rights because it promotes common interests we share with other nations. It recognizes that all people are endowed with certain inalienable rights—the right to life, liberty, and the security of person; the

right to be free from arbitrary arrest and imprisonment; and the right not to be subjected to summary execution and torture. The Universal Declaration of Human Rights transcends socioeconomic conditions, as well as religious and cultural traditions, for no circumstance of birth, gender, culture, or geography can limit the yearnings of the human spirit for the right to live in freedom and dignity. These longings to improve the human condition are not a Western export. They are innate desires of humankind.

When we speak about human rights, we are talking about real people in real places. The Declaration's fundamental guarantees will ring hollow to many if the words are not converted to meaningful action. There is still much for us to do:

- we must see to it that human rights remain a high priority on the agenda of the United Nations, through the creation of a High Commissioner for Human Rights and the effective operation of the Tribunal on War Crimes in the former Yugoslavia;
- we must move promptly to obtain the consent of the Senate to ratify The International Convention on the Elimination of All Forms of Racial Discrimination;
- we must pass implementing legislation on the Convention Against Torture so that we underscore our commitment to the worldwide goal of eliminating this heinous human rights violation; and
- we must do all that is necessary to move to ratify the Convention on the Elimination of All Forms of Discrimination Against Women.

The Bill of Rights and Universal Declaration of Human Rights enshrine this timeless truth for all people and all nations: respect for human rights is the foundation of freedom, justice, and peace.

Now, Therefore, I, William J. Clinton, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim December 10, 1993, as "Human Rights Day," December 15, 1993, as "Bill of Rights Day," and the week beginning December 10, 1993, as "Human Rights Week." I call upon the peo-

ple of the United States to observe these days and that week with appropriate programs, ceremonies, and activities.

In Witness Whereof, I have hereunto set my hand this tenth day of December, in the year of our Lord nineteen hundred and ninety-three, and of the Independence of the United States of America the two hundred and eighteenth.

William J. Clinton

[Filed with the Office of the Federal Register, 4:41 p.m., December 13, 1993]

NOTE: This proclamation will be published in the *Federal Register* on December 15.

Proclamation 6638—Wright Brothers Day, 1993

December 10, 1993

By the President of the United States of America

A Proclamation

The modern era of aviation dawned on a wind-swept beach in North Carolina 90 years ago, when brothers Orville and Wilbur Wright achieved the unthinkable—most said impossible—sustained, powered flight in an aircraft. The "Flyer I" made its inaugural voyage on the morning of December 17, 1903. With Orville at the controls and Wilbur on the ground, the little craft stayed aloft for only 12 seconds and covered just 120 feet. But the brothers were not content to let that flight be their last; instead, they did their utmost to build and fly faster and better aircraft. The inventiveness, ingenuity, and dedication of the Wright brothers exalted the spirit of the American people.

This Nation's leadership in aviation that began with the Wright brothers continues today, as the prevailing technology has evolved from propeller power to jet engine propulsion, from supersonic transport to work on hypersonic aircraft. The National Aeronautics and Space Administration and related industry are now working together to develop the technologies for a commercial transport that will travel at more than twice the speed of sound. Continued leadership in

aviation is increasingly important in today's global economy, not only to maintain America's competitive position in that economy, but also to facilitate the flow of international commerce. As the Federal Aviation Administration works to maintain and improve the world's safest and most efficient air transportation system, Americans must continue the research and development of even faster, safer, quieter, and more efficient aircraft. We must also work to advance our knowledge of air traffic structures and required technology needed for tomorrow.

When Wilbur Wright died in 1912, his father said of him that he had "an unflinching intellect, * * * great self-reliance, and as great modesty. [He saw] the right clearly, and pursu[ed] it steadily * * *". These words apply not only to both of the Wright brothers, but to all who endeavor to apply the can-do spirit, inquisitiveness, and tenacity of the Wright brothers to the ongoing exploration of new aviation horizons.

The Congress, by a joint resolution approved December 17, 1963 (77 Stat. 402; 36 U.S.C. 169), has designated the seventeenth day of December of each year as "Wright Brothers Day" and requested the President to issue annually a proclamation inviting the people of the United States to observe that day with appropriate ceremonies and activities.

Now, Therefore, I, William J. Clinton, President of the United States of America, do hereby proclaim December 17, 1993, as Wright Brothers Day. I call upon the people of the United States to observe the occasion with appropriate programs, ceremonies, and activities.

In Witness Whereof, I have hereunto set my hand this tenth day of December, in the year of our Lord nineteen hundred and ninety-three, and of the Independence of the United States of America the two hundred and eighteenth.

William J. Clinton

[Filed with the Office of the Federal Register, 4:42 p.m., December 13, 1993]

NOTE: This proclamation will be published in the *Federal Register* on December 15.

Appointment for a Deputy Regional Administrator of the General Services Administration

December 10, 1993

The President announced today that he has appointed Maine businessman Robert J. Dunfey, Jr. to be the Deputy Regional Administrator of the General Services Administration for Regions I and II, covering the Northeastern part of the country.

"This appointment reaffirms the commitment that I have made, along with Administrator Roger Johnson, to bringing people with sound management experience into the GSA," said the President.

NOTE: A biography of the appointee was made available by the Office of the Press Secretary.

Appointment for Members of the Board of Directors of the Federal Home Loan Mortgage Corporation

December 10, 1993

The President announced today that he intends to appoint three individuals, Jerry MacArthur Hultin, Raymond J. McClendon, and James B. Nutter, to the Board of Directors of the Federal Home Loan Mortgage Corporation (Freddie Mac), a stockholder-owned corporation chartered by Congress in 1970 which supports home ownership and rental housing through the creation and development of a secondary market for residential mortgages.

"Jerry Hultin, Raymond McClendon, and James Nutter all bring years of financial management experience to the task of overseeing the important work of Freddie Mac," said the President. "I appreciate their willingness to serve."

NOTE: Biographies of the appointees were made available by the Office of the Press Secretary.

Nomination for Assistant Secretaries of the Army, Navy, and Air Force

December 10, 1993

The President today announced his intention to nominate Deborah P. Christie to be Assistant Secretary of the Navy for Financial Management; Rodney A. Coleman to be Assistant Secretary of the Air Force for Manpower, Reserve Affairs, Installations, and Environment; and Helen T. McCoy to be Assistant Secretary of the Army for Financial Management.

"Secretary Aspin is putting together strong management teams in every branch of the service," said the President. "These three nominees are prime examples of that effort."

NOTE: Biographies of the nominees were made available by the Office of the Press Secretary.

Digest of Other White House Announcements

The following list includes the President's public schedule and other items of general interest announced by the Office of the Press Secretary and not included elsewhere in this issue.

December 5

In the early morning, the President returned to Washington, DC, from Los Angeles, CA.

In the evening, the President and Hillary Clinton hosted a reception in recognition of the 1993 Kennedy Center honorees. Following the reception, they went to the John F. Kennedy Center where they attended the Kennedy Center Honors program.

December 7

In the morning, the President had a telephone conversation with President Kim Yong-sam of South Korea. In the late morning, the President met with Mayor-elect Rudy Giuliani of New York City. Following the meeting, the President had lunch with business leaders. In the late afternoon, the President met with a group of Buffalo Soldiers.

In the evening, the President and Hillary Clinton hosted a congressional holiday ball.

December 8

In the afternoon, the President had lunch with Godfrey Sperling Group columnists at Blair House. Later that afternoon, the President met with a group of children from the Washington, DC, Jewish Community Center's afterschool program to commemorate the first night of Hanukkah.

The President announced his intention to nominate Ronald B. Lewis to be the Chair of the Administrative Conference of the United States.

December 9

The White House announced that the President and President Hafiz al-Asad of Syria have agreed to meet in Geneva in January 1994.

The President had a telephone conversation with Jacques Delors, President of the Commission of the European Union, to discuss GATT agreements.

The President announced he intends to appoint Cathryn Buford Slater to be the Chair of the Advisory Council on Historic Preservation. He also appointed GSA Administrator Roger Johnson, Transportation Secretary Federico Peña, and EPA Administrator Carol Browner to be members of the Council.

December 10

The President announced that he intends to nominate Edward J. Gleiman to be a commissioner of the Postal Rate Commission, and to designate him as the Commission's Chair pending his confirmation by the Senate.

The President announced his intention to appoint Peter Y. Chiu and Alan Craig Kessler to the Risk Assessment and Management Commission.

The President today made available \$60 million in previously appropriated funds to the Corps of Engineers for the repair of levees damaged in the Midwest floods.

The President today made available to the Departments of Transportation and Commerce \$31.4 million in emergency funding for highway repair in the flood-ravaged Midwest and for other disaster recovery efforts.

The President appointed the following individuals to Senior Executive Service positions:

Department of Agriculture

Kenneth Ackerman, Manager, Federal Crop Insurance Corporation.

Neal Flieger, Deputy Administrator, IGA and Disaster Assistance, Food and Nutrition Service.

Department of Commerce

Sally C. Ericsson, Associate Deputy Under Secretary, Economic and Statistics Administration.

Susan Fruchter, Counselor to the Under Secretary, National Oceanic and Atmospheric Administration.

C. Howie Hodges II, Assistant Director for Program Development, Minority Business Development Agency.

Department of Education

Naomi Katherine Karp, Special Adviser to the Assistant Secretary, Office of Education Research and Improvement.

Department of Housing and Urban Development

Kevin Marchman, Deputy Assistant Secretary, Distressed and Troubled Housing, Office of Public and Indian Housing.

Department of the Interior

E. Thomas Tuchmann, Special Assistant to the Secretary.

Department of Justice

Paul Bender, Principal Deputy Solicitor General.

Kevin V. Di Gregory, Deputy Assistant Attorney General, Criminal Division.

John M. Horgan, Special Assistant to the Attorney General.

H. Jefferson Powell, Deputy Assistant Attorney General, Office of Legal Counsel.

Laurie Overby Robinson, Associate Deputy Attorney General.

Department of State

Johannes Albert Binnendijk, Principal Deputy Director, Policy Planning Staff.

Department of Transportation

Gloria Jeff, Associate Administrator for Policy, Federal Highway Administration.

George Reagle, Associate Administrator, Motor Carrier.

**Nominations
Submitted to the Senate**

NOTE: No nominations were submitted to the Senate during the period covered by this issue.

**Checklist
of White House Press Releases**

The following list contains releases of the Office of the Press Secretary that are neither printed as items nor covered by entries in the Digest of Other White House Announcements.

Released December 4

Fact sheet on the urban revitalization demonstration program

Background on the California economic roundtable

Released December 6

Statement by Press Secretary Dee Dee Myers on the Presidential elections in Venezuela

Released December 7

Transcript of a press briefing by Press Secretary Dee Dee Myers

Statement by Press Secretary Dee Dee Myers on the death of President Felix Houphouet-Boigny of the Cote d' Ivoire

Announcement of a press briefing by Treasury Secretary Lloyd Bentsen and Assistant to the President for Economic Policy Robert Rubin on reform of the Community Reinvestment Act

Released December 8

Transcript of a press briefing by Press Secretary Dee Dee Myers

Transcript of a press briefing by Treasury Secretary Lloyd Bentsen, Assistant to the President for Economic Policy Robert Rubin, and Comptroller of the Currency Eugene Ludwig on reform of the Community Reinvestment Act

List of children attending the President's commemoration of the first night of Hanukkah

Released December 9

Transcript of a press briefing by Treasury Secretary Lloyd Bentsen and Office of Management and Budget Director Leon Panetta on health care financing

Transcript of a press briefing by Press Secretary Dee Dee Myers

List of mayors and police chiefs meeting with the President and the Attorney General for a discussion on crime

Statement by Press Secretary Dee Dee Myers announcing the President's planned meeting with President Hafiz al-Asad of Syria in Geneva in mid-January 1994

Released December 10

Transcript of a press briefing by Press Secretary Dee Dee Myers

Transcript of a press briefing by U.S. Trade Representative Mickey Kantor on the General Agreement on Tariffs and Trade

Statement by Press Secretary Dee Dee Myers on the Human Rights Day, Bill of Rights Day, and Human Rights Week, 1993, proclamation signing ceremony

**Acts Approved
by the President**

Approved December 8

H.R. 3450 / Public Law 103-182

North American Free Trade Agreement Implementation Act